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Note

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Abbreviations

CCISUA	Coordinating Committee for International Staff Unions and Associations of the United Nations System
CEB	United Nations System Chief Executives Board for Coordination
FAO	Food and Agriculture Organization of the United Nations
FICSA	Federation of International Civil Servants' Associations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ICSC	International Civil Service Commission
IFAD	International Fund for Agricultural Development
ILO	International Labour Organization
IMO	International Maritime Organization
ITU	International Telecommunication Union
PAHO	Pan American Health Organization
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNISERV	United Nations International Civil Servants Federation
UNOPS	United Nations Office for Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNWTO	World Tourism Organization
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

Glossary of technical terms

Average	Context: United States federal civil service/United Nations system salary comparisons. A single number representing a set of numbers, computed such that it is not smaller than the smallest or larger than the largest number in that set.
Base/floor salary scale	For the Professional and higher categories of staff, a universally applicable salary scale is used in conjunction with the post adjustment system. The minimum net amounts received by staff members around the world are those given in this scale.
Common scale of staff assessment	Scale used for adding taxes to the pensionable remuneration scale for both Professional and General Service categories of staff; rates are derived from average taxes at the eight headquarters duty stations. This is different from the tax assessment rates used in conjunction with the Tax Equalization Fund.
Comparator	Salaries and other conditions of employment of staff in the Professional and higher categories are determined in accordance with the Noblemaire principle by reference to those applicable in the civil service of the country with the highest pay levels. The United States federal civil service has been used as the comparator since the inception of the United Nations. See also "highest paid civil service" and "Noblemaire principle".
Contributory service	All United Nations common system staff members meeting certain criteria participate in the United Nations Joint Staff Pension Fund and contribute a percentage of their pensionable remuneration to the Fund. The period over which this contribution is made is termed "years of contributory service".
Competencies	A combination of skills, attributes and behaviours that are directly related to successful performance on the job. Core competencies are the skills, attributes and behaviours which are considered important for all staff of an organization, regardless of their function or level. For specific occupations, core competencies are supplemented by functional competencies related to respective areas of work.
Consolidation of post adjustment	The base/floor salary scale for the Professional and higher categories is adjusted periodically to reflect increases in the comparator salary scale. This upward adjustment is made by taking a fixed amount of post adjustment and incorporating or "consolidating" it into the base/floor salary scale. If the scale is increased by consolidating 5 per cent of post adjustment, the post adjustment multiplier points at all duty stations are then reduced by 5 per cent, thus ensuring, generally, no losses or gains to staff. This method of implementation, referred to as "no gain/no loss", results in no change in take-home pay for staff and produces no additional costs related to salary for the organizations.
Cost-of-living differential	In net remuneration margin calculations, the remuneration of United Nations officials from the Professional and higher categories in New York is compared with their counterparts in the comparator service in Washington, D.C. As part of that comparison, the difference in the cost of living between New York and Washington, D.C., is applied to the comparator salaries to determine their "real value" in New York. The cost-of-living differential between New York and Washington, D.C., is also taken into account in comparing pensionable remuneration amounts applicable to the two groups of staff mentioned above.

Danger pay	Danger pay is a special allowance established for internationally and locally recruited staff who are required to work in locations where very dangerous conditions prevail.
Dependency rate salaries	Net salaries determined for staff with a primary dependant.
Federal Employees Retirement System	Defined contribution scheme for employees of the United States federal civil service hired in 1984 and thereafter.
Flemming principle	The basis used for the determination of conditions of service of the General Service and other locally recruited categories of staff. Under the application of the Flemming principle, General Service conditions of employment are based on best prevailing local conditions.
General Schedule	A 15-grade salary scale in the comparator (United States) civil service, covering the majority of employees.
Group I duty stations	Countries with convertible currencies and where out-of-area expenditures reported by staff members account for less than 25 per cent of the total expenditures.
"H" duty stations under the mobility and hardship scheme	Headquarters locations and locations where there are no United Nations developmental or humanitarian activities or locations which are in countries which are members of the European Union.
Headquarters locations	Headquarters of the organizations participating in the United Nations common system are: Geneva, London, Madrid, Montreal, New York, Paris, Rome and Vienna. While the Universal Postal Union is headquartered at Berne (Switzerland), post adjustment and General Service salaries at Geneva are currently used for Berne.
Highest paid civil service	Under the application of the Noblemaire principle, salaries of United Nations staff in the Professional and higher categories are based on those applicable in the civil service of the country with the highest pay levels, currently the United States. See also "comparator" and "Noblemaire principle".
Income inversion	Context: comparison of gross salaries (pensionable remuneration) of General Service staff with the pensionable remuneration of the Professional staff. The phenomenon relates to situations where the same or lower net remuneration received by staff in one category leads to a pensionable remuneration higher than that of staff from another category receiving the same or higher net remuneration.
Income replacement ratio	The ratio of pension to average net salary received during the same three-year period used in the determination of the pension benefit.
Interim adjustment	Context: pensionable remuneration. Adjustment to pensionable remuneration amounts between comprehensive reviews.
Net remuneration	Base/floor plus post adjustment.
Net remuneration margin	The Commission regularly carries out comparisons of the net remuneration of the United Nations staff in grades P-1 to D-2 in New York with that of the United States federal civil service employees in comparable positions in Washington, D.C. The average percentage difference in the remuneration of the two civil services, adjusted for the cost-of-living differential between New York and Washington, D.C., is the net remuneration margin.

Non-family duty stations	Duty stations where the Chair of the Commission decides, upon recommendation by the Department of Safety and Security of the United Nations Secretariat, that for reasons of safety and security all eligible dependants are restricted from being present at the duty station for a period of six months or longer.
Non-pensionable component	Context: General Service pensionable remuneration. Some outside employers used in General Service salary surveys pay, in addition to gross salaries, a number of allowances and fringe benefits, some of which they consider as "non-pensionable", that is, not taken into account in determining the retirement benefits of their employees. Those are added together to arrive at the "non-pensionable component". The sum of all "non-pensionable" elements is expressed as a percentage of net salary, which is reduced by the applicable threshold to arrive at the "non-pensionable component".
Noblemaire principle	The basis used for the determination of conditions of service of staff in the Professional and higher categories. Under the application of the principle, salaries of the Professional category are determined by reference to those applicable in the civil service of the country with the highest pay levels. See also "comparator" and "highest paid civil service".
Pensionable remuneration	The amount used to determine contributions from the staff member and the organization to the United Nations Joint Staff Pension Fund. Pensionable remuneration amounts are also used for the determination of pension benefits of staff members upon retirement.
Performance management	The process of optimizing performance at the level of the individual, team, unit, department and agency and linking it to organizational objectives. In its broadest sense, effective performance management is dependent on the effective and successful management of policies and programmes, planning and budgetary processes, decision-making processes, organizational structure, work organization and labour-management relations and human resources.
Place-to-place survey	Survey carried out as part of the process of establishing a post adjustment index. It compares living costs between a given location and the base city, New York, at a specified date.
Post adjustment index	Measurement of the living costs of international staff members in the Professional and higher categories posted at a given location, compared with such costs in New York at a specific date.
Post adjustment classification	Classification of a duty station that is based on the cost-of-living index. It is expressed in terms of multiplier points. For example, staff members at a duty station classified at multiplier 5 would receive a post adjustment amount equivalent to 5 per cent of net base salary as a supplement to base pay.
Separation payments	Upon separation from service, staff may receive compensation for one or more of the following: accumulated annual leave, repatriation grant and termination indemnity. Death grant is payable to the survivor of a staff member.
Single rate salaries	Net salaries determined for staff without a primary dependant.

Special pay systems	Under the salary system for the United States federal civil service, staff of some federal agencies or in specific occupational groups may be paid according to pay scales applicable to those agencies or occupations, as appropriate. These pay scales, known as special pay systems, are used, inter alia, in cases of demonstrated recruitment and retention difficulties.
Staff assessment	Salaries of United Nations staff from all categories are expressed in gross and net terms, the difference between the two being the staff assessment. Staff assessment is a form of taxation, internal to the United Nations, and is analogous to taxes on salaries applicable in most countries.
Tax abatement	In the context of dependency allowances, tax credit or relief provided to taxpayers who are responsible for the financial support of dependants (spouse, children, parents, etc.) in the tax systems of a number of countries.
Tax Equalization Fund	A fund maintained by, for example, the United Nations, that is used for reimbursing national taxes levied on United Nations income for some staff members.
Workforce planning	A process to ensure that the right number of people with the right skills are employed in the right place at the right time to deliver an organization's short- and long-term objectives. It embraces a diverse and extensive range of activities that will vary between organizations and situations. Workforce planning should be linked to strategic business goals and viewed as an important part of the strategic business planning process.

Letter of transmittal

Letter dated 22 August 2016 from the Chair of the International Civil Service Commission addressed to the Secretary-General

I have the honour to transmit herewith the forty-second annual report of the International Civil Service Commission, prepared in accordance with article 17 of its statute.

I should be grateful if you would submit the report to the General Assembly and, as provided in article 17 of the statute, also transmit it to the governing organs of the other organizations participating in the work of the Commission, through their executive heads, and to staff representatives.

(*Signed*) Kingston P. **Rhodes**
Chair

16-14563

Summary of recommendations of the International Civil Service Commission that call for decisions by the General Assembly and the legislative organs of the other participating organizations

Paragraph reference	
	A. Conditions of service applicable to both categories
	Separation payments
66 (a)	The Commission recommends to the General Assembly that end-of-service severance pay be introduced for fixed-term staff separating from the organization upon the expiration of contract after 10 or more years of continuous service.
	B. Conditions of service of the Professional and higher categories
	1. Base/floor salary scale
122 and annex V	The Commission recommends to the General Assembly, for approval with effect from 1 January 2017, the revised unified base/floor salary scale for the Professional and higher categories as shown in annex V to the present report, reflecting a 1.02 per cent adjustment over the unified salary scale previously approved by the Assembly, to be implemented by increasing the base salary and commensurately decreasing post adjustment multiplier points, resulting in no change in net take-home pay.
	2. Evolution of the United Nations/United States net remuneration margin
132 (a)	The Commission reports to the General Assembly that the margin between the net remuneration of officials in the Professional and higher categories of the United Nations in New York and officials in comparable positions in the United States federal civil service in Washington, D.C.. for the calendar year 2016 was estimated at 114.1.

Summary of recommendations of the International Civil Service Commission to the executive heads of the participating organizations

Paragraph reference	
	Conditions of service of the General Service and other locally recruited categories
162 and annex IX	As part of its responsibilities under article 12, paragraph 1, of its statute, the International Civil Service Commission conducted the surveys of best prevailing conditions of employment for the General Service staff in Geneva and recommended the resulting salary scale to the executive heads of the Geneva-based organizations, as shown in annex IX.

Summary of financial implications of the decisions and recommendations of the International Civil Service Commission for the United Nations and other participating organizations of the common system

Paragraph reference	
	A. Conditions of service applicable to both categories of staff
	Separation payments
61 and 66 (a)	The financial implications associated with the recommended end-of-service severance pay are estimated at $1.64 million per annum.
	B. Conditions of service of the Professional and higher categories
	Base/floor salary scale
119 and annex V	The financial implications associated with the Commission's recommendation regarding an increase in the base/floor salary scale, estimated on the basis of the difference between the unified salary scale approved by the General Assembly in its resolution 70/244 with effect from 1 January 2017 and the recommended unified salary scale, as shown in annex V to the present report, were estimated at $438,000 per annum, system-wide.
	C. Conditions of service of the General Service and other locally recruited categories
	1. Surveys of best prevailing conditions of employment for General Service and related categories in Geneva
164 and annex IX	The recommended salary scales for the General Service and Language Teacher categories in the Geneva-based organizations being 1.8 per cent lower than the scales in effect, the notional annual savings resulting from implementation are estimated at $7.6 million.
	2. Adjustment of dependency allowances following the unfreezing of allowances
167 and annex X	The financial implications, by duty station, associated with the Commission's recommendations on the dependency allowances are as follows (in United States dollars):

Madrid	13 752
London	12 171
New York	1 576 090
Geneva	7 281 958

Chapter I
Organizational matters

A. Acceptance of the statute

1. Article 1 of the statute of the International Civil Service Commission (ICSC), approved by the General Assembly in its resolution 3357 (XXIX) of 18 December 1974, provides that:

> "The Commission shall perform its functions in respect of the United Nations and of those specialized agencies and other international organizations which participate in the United Nations common system and which accept the present statute ..."

2. To date, 15 organizations[1] have accepted the statute of the Commission and, together with the United Nations itself, participate in the United Nations common system of salaries and allowances. One other organization,[2] although not having formally accepted the statute, participates fully in the work of the Commission.

B. Membership

3. The membership of the Commission for 2016 is as follows:

Chair:

Kingston P. Rhodes (Sierra Leone)***

Vice-Chair:

Wolfgang Stöckl (Germany)**

Members:

Marie-Françoise Bechtel (France)***
Larbi Djacta (Algeria)*
Minoru Endo (Japan)**
Carleen Gardner (Jamaica)***
Sergey V. Garmonin (Russian Federation)*
Luis Mariano Hermosillo (Mexico)**
Aldo Mantovani (Italy)**
Emmanuel Oti Boateng (Ghana)***
Mohamed Mijarul Quayes (Bangladesh)*
Curtis Smith (United States of America)**
Xiaochu Wang (China)*
Eugeniusz Wyzner (Poland)***
El Hassane Zahid (Morocco)*

* Term of office expires 31 December 2016.
** Term of office expires 31 December 2017.
*** Term of office expires 31 December 2018.

[1] ILO, FAO, UNESCO, ICAO, WHO, UPU, ITU, WMO, IMO, WIPO, IAEA, UNIDO, UNWTO, the International Seabed Authority and the International Tribunal for the Law of the Sea.
[2] IFAD.

C. Sessions held by the Commission and questions examined

4. The Commission held two sessions in 2016, the eighty-second, held from 7 to 18 March 2016 at United Nations Headquarters in New York, and the eighty-third, held from 25 July to 5 August at the WIPO headquarters in Geneva.

5. At those sessions, the Commission examined issues that derived from decisions and resolutions of the General Assembly as well as from its own statute. A number of decisions and resolutions adopted by the Assembly that required action or consideration by the Commission are discussed in the present report.

D. Programme of work of the Commission for 2017-2018

6. The programme of work of the Commission for 2017-2018 is contained in annex I.

Chapter II
Reporting and monitoring

Resolutions and decisions adopted by the General Assembly at its seventieth session relating to the work of the Commission

7. The Commission considered a note by its secretariat on resolutions and decisions adopted by the General Assembly relating to the work of the Commission. The note highlighted the presentation by its Chair of the forty-first annual report of the Commission to the General Assembly for 2015 (A/70/30), which marked the conclusion of the review of the common system compensation package for the Professional and higher categories of staff. The Chair provided the members of the Fifth Committee with details of the conclusions and recommendations resulting from the review. In addition, he drew the attention of members of the Committee to decisions and recommendations relating to the work of the Commission in the following areas:

(a) Mandatory age of separation;

(b) United Nations/United States margin management;

(c) Base/floor salary scale;

(d) Post adjustment matters;

(e) Update on salary surveys carried out on the best prevailing conditions of employment in Kingston, London and New York.

8. Participants at the session of the Commission were informed that members of the Fifth Committee had expressed appreciation for the work of the Commission and that discussions on the compensation review had been intense and engaging. Further clarification and information were requested on various proposals put forward by the Commission. A number of briefings were held, as were prolonged debates at the informal meetings. During those debates, the secretariat was asked to provide supplementary information on the following:

(a) Unified salary scale;

(b) Biennial step increments;

(c) Loss of the dependent rate on the salary scale;

(d) Impact of the changes on single parents;

(e) Proposed performance incentive rewards;

(f) Revised field and relocation-related allowances;

(g) Proposal to increase Assistant Secretary-General and Under-Secretary-General salaries to maintain the present relativities between the D-2 and Assistant Secretary-General levels.

9. After having reviewed the proposals of the Commission, and taking into account the comments provided by the organizations and staff federations, the General Assembly, on 23 December 2015, adopted resolution 70/244 without a vote.

Discussion in the Commission

10. The Human Resources Network of CEB, FICSA and CCISUA took note of the decisions of the General Assembly and thanked the Commission for its hard work. The Network expressed interest in the manner in which the Commission planned to go about fulfilling one of the Assembly's requests with regard to monitoring the impact of the new package on gender parity and geographic diversity, adding that the Network would be willing to discuss with the Commission any data collection issues that would arise. All three entities were concerned about the practical implications of lifting the freeze on allowances for both internationally and locally recruited staff effective 1 January 2016; this was particularly concerning to the staff federations, as no changes had so far been realized for staff members who were affected by the freeze.

11. FICSA and CCISUA looked forward to contributing to the Commission's work on performance and gender parity during the next phase of the review. With respect to the mandatory age of separation, they were pleased with the decision to raise it; however, the representatives of the two entities added that they would have been more content with a decision to raise the mandatory age of separation by 1 January 2017 instead of the approved date of 1 January 2018.

12. With respect to the review, members of the Commission congratulated its secretariat for its hard work and expressed pride in being a part of such a historic era in the life of the Commission. They noted that the majority of the Commission's recommendations had been approved, and respected the modifications made by the General Assembly, especially with respect to single parents, the salary scale structure and field allowances, specifically the mobility incentive. It was pointed out that the Assembly had requested the Commission to report on the implementation of the package. With respect to the next phase of the review, the Commission looked forward to working with the organizations and staff again in the same spirit of cooperation, the ultimate goal of all being a better United Nations common system. With regard to implementation, the Chair added that a harmonized approach would serve the common system best and, looking ahead at the next phase of the review, emphasized the need for hard data and complete cooperation from all while making full use of lessons learned.

13. As regards the implementation of the new mandatory age of separation of 65 years for staff joining the common system prior to 2014, members of the Commission supported the desire of the staff that the policy be implemented sooner rather than later. They called attention to resolution 70/244, in which the General Assembly accorded organizations the opportunity to do so before 1 January 2018. Participants were also reminded that the acquired rights of staff had to be respected.

Chapter III
Conditions of service applicable to both categories of staff

A. Framework for human resources management

14. At its fifty-first session, in 2000, the Commission adopted a framework for human resources management (see A/55/30, para. 19). The framework was firmly grounded in the philosophical foundations of the Charter of the United Nations, namely:

(a) The independence of the international civil service;

(b) The need for the organizations to recruit staff with the highest standards of efficiency, competence and integrity and giving due regard to the importance of recruiting staff on as wide a geographical basis as possible;

(c) The equal participation of men and women in the work of the Organization.

15. In its resolution 55/223, the General Assembly requested the Commission to use the integrated framework as a guide to its future programme of work. The Assembly also encouraged the organizations of the United Nations common system to use the integrated framework as a basis for their future work in human resources policies and procedures and to bring it to the attention of their governing bodies.

16. At its seventy-first session, in 2010, the Commission decided to review the framework with the purpose of assessing whether it remained relevant and up to date and to propose modifications as necessary. The review should cover, inter alia, inter-agency mobility, recruitment systems and other human resources elements under its purview (A/65/30, para. 27). In response to the decision taken by the Commission at its seventy-first session, the ICSC secretariat, in 2011, presented a road map for the conduct of the review, for approval by the Commission.

17. At its seventy-second session, in 2011, the Commission established a working group composed of four members of the Commission, four representatives of the organizations and representatives of the three staff federations, as well as the ICSC secretariat, for the purpose of reviewing and revising the framework for human resources management.

18. The working group held two meetings, one in 2012 and one in 2013. In 2012, a questionnaire was sent by the ICSC secretariat to organizations on their views and use of the framework. A report on the first working group meeting was presented to the Commission in 2013. At that time the Commission requested the working group to continue its work on the review of the human resources framework. A report on the work of the second working group meeting was prepared in 2014. However, the agenda item was suspended owing to the ongoing compensation review, which was thought to have implications for the human resources framework.

19. At the eighty-third session, a report was presented to the Commission on the work of the working group, in addition to the relevant elements of the new compensation package and recent relevant developments in the organizations' human resources agenda, such as duty of care and proactive human resources business partnering.

20. It was noted that the revised framework was (a) strategic; (b) staff-centred; and (c) results-based. The framework highlighted the strategic role of human resources management in helping to maximize present and future human resources capacity to meet the goals of the organizations. Furthermore, the new framework was designed as a "living and interlinked" document.

21. The framework included staff safety, security and duty of care as integral elements of talent management. Performance management and mobility/staff deployment were updated in the light of the ICSC performance management framework and recent discussions in the Commission concerning mobility policies throughout the common system. Finally, concept definitions, outcomes and new measurement indicators were added to the new framework.

Discussion in the Commission

22. The Co-Chair of the Human Resources Network of CEB stated that the Network had taken note of the report on the human resources framework, which fell under article 16 of the ICSC statute. As the proposed revised framework was a living reference document, recommendations which would evolve over time could be updated as necessary. Any system-wide dissemination of the framework should be done in close collaboration with organizations.

23. FICSA supported the revised human resources management framework and agreed with the statement of the Human Resources Network.

24. The representative of CCISUA welcomed the revised human resources management framework. CCISUA was of the view that some organizations needed to undertake further work on certain elements. Those included staff-management relations, timely and transparent recruitment that was free from discrimination and a compensation system that satisfied staff. CCISUA also welcomed the inclusion of organizations' policies in the interactive framework.

25. The representative of UNISERV stated that he was very pleased to have participated in the working group to update the human resources framework and was satisfied with the outcome. The work had been undertaken in a collaborative manner by all members of the working group. He noted that the framework was a key component in ensuring the proper management of human resources. UNISERV fully supported the revised human resources framework.

26. The Commission was informed that input for the revised framework had mostly come from the representatives of the staff federations and the organizations. Members of the Commission noted that, while the principles and philosophy remained the same, the human resource function had changed significantly over the past 20 years and that it had become necessary to capture those changes in the updated framework in order to have a tool that represented the best of human resources management in the United Nations common system. Organizations had already advanced the concept of talent management and results-based management, and those concepts and others had been included in the revised framework to reflect the current realities. The framework also prioritized the functions related to staff engagement, which was the main focus of organizations in their efforts to achieve excellent organizational performance. The new framework had a stronger emphasis on human resources analytics; it identified indicators and took into account ICSC policies and guidelines as well as CEB documents dealing with such issues as duty

of care. Members of the Commission were of the view that, although the framework had been vastly improved and updated, it would benefit from being more aspirational to show that the common system was a responsive employer. The framework should continue to be updated to be useful for all stakeholders.

27. Commission members acknowledged the work undertaken by the working group, including that of two late Commissioners, and stated that by collaborating, representatives of the Commission, the staff, organizations and the secretariat had achieved and delivered an excellent tool that should be used to help organizations to more effectively manage human resources. The new framework was a significant improvement from the version adopted in 2000 and truly reflected the importance that the United Nations common system gave to human resources, integrating what had been learned in the past years. As a living document, the framework should be updated as organizations began to diagnose, instrumentalize and build on work that had been done. As there would be no limit in making improvements and in keeping with current realities, the framework provided a significant opportunity to develop additional indicators, both quantitative and qualitative, relating to such topics as lower vacancy rates, access to open positions and security measures. It was highlighted that indicators should not be binary but incremental and measurable. There should be a strong focus on training to ensure that managers were better equipped to assess staff performance. Commission members expressed the view that diversity in recruitment should be strengthened to reflect the wider meaning of diversity as adopted by the Commission, such as age and multilingualism, as well as strong emphasis on geographical distribution. Other suggestions were made by Commission members, such as including the role of line managers who were responsible for the training and motivation of staff, as well as including definitions for talent management and strategic human resources management in a glossary. The Commission also highlighted the significance of the link to the ICSC standards of conduct, which was an important document adopted by the Commission and approved by the General Assembly in 2012 (see resolution 67/257, sect. A.3).

Decisions of the Commission

28. The Commission decided:

(a) To approve the revised human resources management framework (as contained in annex II);

(b) To encourage organizations to use the new ICSC human resources management framework as an instrument to reinforce human resources management in the organization;

(c) That the framework should continue to be updated to be useful for all stakeholders;

(d) To invite organizations to include links to their own relevant policy documents.

B. Contractual arrangements: review of the implementation of the three types of contracts

29. Pursuant to a request made by the Commission at its seventy-fifth session, in 2012, its secretariat submitted a document containing updated details on the

implementation status of the ICSC framework for contractual arrangements (A/65/30, annex V) throughout the common system and information on the recent developments of contract reform in some organizations. The information contained in the document had been collected through a survey questionnaire covering all organizations in the United Nations common system; 25 out of 27 organizations had responded.

30. The document provided the second update on contractual arrangements since the approval of the revised ICSC framework for contractual arrangements effective 1 January 2011. As at April 2016, 20 common system organizations reported that they had implemented the ICSC contractual framework, and 2 organizations reported partial implementation. Since the previous survey conducted in March 2012, 8 organizations in the common system reported that they had implemented changes in their contractual policies, and 10 reported that they were contemplating a review of contractual policies in the near future.

31. In the survey carried out by the secretariat in April 2016, the organizations were given an opportunity to provide feedback on their experience and to report to what degree the ICSC contractual framework had met their needs. The majority of organizations (16) indicated that the contractual framework met their needs, and four additional organizations indicated that the framework met their needs for the most part. Only four organizations that had implemented the framework reported that it had not met their needs and suggested that the framework should allow more flexibility with respect to employing staff for project functions.

32. The organizations were also asked whether each of the three types of appointments contained in the ICSC framework had responded adequately to their needs. The responses concerning continuing appointments were for the most part positive. Some organizations had decided to not, or to not yet, make use of them; others indicated that they had difficulties with the criteria for granting this type of appointment. With regard to fixed-term appointments, all except two organizations that responded to these questions indicated that fixed-term appointments had adequately met their needs. The concerns raised by those two organizations related to voluntary funding, continuously evolving mandates and the needs of stakeholders that required a versatile and flexible workforce. In addition, concerns were raised that fixed-term contracts did not serve the models of field/project organizations, given that staff contracts served the needs of long-term functions rather than project functions. With regard to temporary appointments, the majority of organizations responded that they had adequately met their needs. However, seven organizations responded negatively, indicating, inter alia, that the current two-year limit for temporary appointments for the United Nations and its funds and programmes was too short.

33. The organizations were also invited to provide any additional comments or observations regarding the ICSC contractual framework, to which eight organizations responded. Some examples included comments that although the ICSC contractual framework did not address the source of funding, funding played an important role in the type of contract modality used. Other observations mentioned that the success and efficiency of the framework depended upon effective workforce planning, that this issue should be examined in the context of the compensation review for locally recruited categories, and finally that there was a need to apply a more flexible arrangement with respect to temporary appointments.

Discussion in the Commission

34. The Human Resources Network took note of the information provided in the document. The Network noted that the subjects of contractual modalities, conditions of service and use of staff categories were to some degree interconnected, and therefore all three should be diligently discussed, bearing in mind the current discussions on how best to enhance fitness for purpose in implementing the new Sustainable Development Goals agenda, as well as other humanitarian and technical mandates entrusted by Member States.

35. The Human Resources Network expressed its belief that, in general, the revision of the contractual framework had led to more streamlining and simplification, owing to the reduction to three main contract types. Furthermore, the current programmatic and budgetary realities in the United Nations system pointed to a need to more adequately support project-based, truly time-limited appointments. The Network also stated that the organizations stood ready to further examine the issue and to prepare a discussion paper for one of the sessions in 2017 if desired, as they believed that a review of the contractual framework from the particular angle of "fit for purpose" in time-bound project environments should not wait until the conclusion of all the other ongoing reviews.

36. The representative of FICSA stated that it had always supported the ICSC contractual framework, which included the three types of appointments. FICSA, however, expressed concern regarding the use of temporary appointments, noting that the organizations had several ways of engaging temporary assistance through staff contracts and the increasing use of non-staff contracts. Regarding the Human Resources Network statement, FICSA, while understanding the need for flexibility in the organizations, believed that the current ICSC contractual framework provided sufficient flexibility and that in fact the usage of the framework should be tightened.

37. CCISUA considered the document a useful way to gauge the views and opinions of the organizations. It noted positive movement on the implementation of the framework, stating that it was encouraged that more organizations had implemented it. With regard to the issue of flexibility mentioned by the Human Resources Network, the representative of CCISUA stated that many national legislations had three types of contracts (piece, fixed-term, continuing) and that they considered that the fixed-term appointment was in and of itself a temporary appointment. Noting that in addition to the three types of staff appointments, the organizations had the flexibility to engage surge or temporary assistance through non-staff contractual modalities, CCISUA believed that the system was far too flexible, suggesting that perhaps there was a need to reduce rather than increase flexibility. Since the fixed-term appointment already provided for the needs of organizations, this appointment could be used for medium-term project functions, with affected staff members being informed about the contingency of available funding, rather than organizations offering a succession of temporary appointments. Furthermore, there was no rationale for providing temporary appointments for up to three years, as by definition such period of time could not be considered temporary. While there were advantages to using temporary appointments, such as quicker recruitment processes, the procedures for offering fixed-term appointments could be lightened. The representative of CCISUA stated that organizations should be urged to implement continuing appointments, noting that the risks of offering such appointments were not as significant, since the evidence pointed to the fact that the

longer the staff members stayed in the organization, the less likely they were to separate and trigger payment of indemnities. With respect to the current operational and business needs of organizations, CCISUA believed that much more could be done with the current framework to improve on workforce planning and reduce ad hoc approaches. In concluding remarks, the representative stated that the next review should be carried out once the framework had been fully implemented and stock taken.

38. The representative of UNISERV also discussed the issue of flexibility, noting that more flexibility often led to less credibility and that the recommendations of ICSC needed to be implemented. He stressed that the General Assembly had approved the three types of appointments in June 2009 and cautioned against having too many choices or being too focused on short-term needs while neglecting the long-serving staff. The representative called for more implementation of continuing appointments as stipulated in the staff rules.

39. The Commission noted the increase in the number of organizations that reported having implemented the ICSC framework since the last review, which was an encouraging positive development. Noting that the framework had already been largely implemented, this type of periodic review was important not only to take stock of the implementation but also to exchange views with the organizations about the practical issues or obstacles that they might be facing. The Commission further noted that the framework was a product of in-depth consultations with the organizations and staff federations and that organizations could continue to learn from their experience.

40. With regard to the discussion on the continuing appointments, the Commission reiterated that organizations were not required to use all three types of appointments outlined in the ICSC contractual framework, but rather that the framework presented a menu of available options from which the organizations could choose on the basis of what best met their needs. The framework allowed the organization to choose whichever of the three types of contracts in whatever combination they believed would best assist them in implementing their functions and carrying out their mandates.

41. Members of the Commission discussed the issue of flexibility. Some views expressed included the changes in how the organizations did business after the adoption of the Sustainable Development Goals and concerns about the ability of the current framework to meet future needs of organizations, especially those that were project-based. This perhaps warranted looking into some additional types of contracts that would last for the duration of a project. Other members of the Commission considered that the current framework worked well and offered sufficient flexibility to accommodate different needs of the organizations. It was highlighted that the provisions of the framework were generous and flexible, given that project-related activities could be covered by temporary as well as fixed-term appointments.

42. In response to a comment by the Commission, the representative of CCISUA questioned the impact of the Sustainable Development Goals on the contractual framework. The representative considered that the Sustainable Development Goals were evolutionary rather than revolutionary, while the Millennium Development Goals led to a bigger shift and change. CCISUA underscored that the ICSC framework was broad enough and fit for purpose for the Sustainable Development

Goals and would allow organizations to continue recruiting staff for short-, medium- and long-term work over the next 14 years. Sufficient time was needed for the framework to be fully implemented before being reviewed. The representative of UNISERV expressed concern about using organizations such as UNOPS, which were largely project-based, as a reference on this important issue, and cautioned about letting the budgetary considerations determine the type of contractual modality used.

43. Members of the Commission thought that it might be useful to have an insight into the full personnel contingent in the organizations, in addition to their staffing numbers, in order to better understand their operational needs. However, members of the Commission cautioned against bringing the issue of the engagement of non-staff into the discussion, since such types of personnel were not granted employment contracts under the organizations' staff rules and consequently did not fall under the purview of the Commission. The Commission recalled that the matter of non-staff was before the General Assembly following the issuance of the Joint Inspection Unit report entitled "Use of non-staff personnel and related contractual modalities in the United Nations system organizations" (see A/70/685 and Add.1) and in the context of the administration of justice.

44. The Human Resources Network reiterated that the organizations were all in all satisfied with the ICSC contractual framework. The organizations appreciated being asked to share their experiences with the framework in the survey and in the discussion. While the organizations did not call for opening the framework as a whole, they would welcome an opportunity to present to the Commission the issues that would need adjusting with respect to the limitations of the temporary appointment. Organizations were not opting for cheaper solutions but rather looked for the best solutions for their staffing needs, along with reduced administrative burden. Several United Nations funds and programmes mentioned that they would like to see an introduction of another more agile medium-term type of appointment or removal of some of the restrictions currently in place. They provided, as an example, the two-year limit on temporary appointments stipulated by the General Assembly for the Staff Regulations and Rules of the United Nations, while many projects were typically of a two- to four-year duration.

45. The Commission considered that, while it was always possible to make improvements, the framework to a large extent satisfied the needs of the organizations and that it should be kept under periodic review to examine the experiences of organizations and any implementation difficulties. It was also mentioned that the organizations needed to have the tools to implement their mandates; however, having too broad a framework could lead to lack of control or rationale. The governing bodies could at times adopt variations to the ICSC conceptual guidelines, as was the case with the General Assembly introducing a two-year limit on temporary appointments.

46. Noting that a large number of organizations had implemented the framework, it was the Commission's expectation that the next time that the contractual framework was reviewed, organizations would have adapted their internal rules in line with the framework. Those organizations that had not already done so should implement the framework as soon as possible so that any obstacles and challenges could be addressed in a holistic manner. While it was noted that this issue was to some extent connected with the use of categories of staff and the ongoing

compensation review, it was considered that the work on this item did not need to be set aside until the completion of the compensation review for all categories of staff.

47. With regard to the statement from the staff federations that there should be continued monitoring of the implementation of the contractual framework, it was recalled that there was regular follow-up and a reporting cycle with respect to the decisions and recommendations made by the Commission, as provided under article 17 of the statute of the Commission.

Decisions of the Commission

48. The Commission decided:

(a) To take note of the information provided in the document;

(b) To encourage the organizations to follow the guidelines of the framework for contractual arrangements when considering and introducing any changes to the contractual status of staff;

(c) To request the organizations that had not implemented the ICSC contractual framework to review their contractual mechanisms in the light of the framework, taking into account experiences in other organizations, and make proposals to their respective governing bodies to align their contractual arrangements with those of the common system at their earliest convenience;

(d) To continue to monitor the implementation of the ICSC framework for contractual arrangements;

(e) To welcome the offer from the Human Resources Network to provide a paper outlining the issues of concern that might need adjusting, notwithstanding the Network's overall satisfaction with the current framework;

(f) To review the ICSC framework for contractual arrangements at a future session, to be determined in the light of the programme of work of the Commission.

C. Separation payments and staff separation trends

49. In its resolution 65/248, the General Assembly decided to revert, at its seventy-first session, to the Commission's recommendation regarding the introduction of end-of-service severance pay in the organizations of the common system for fixed-term staff involuntarily separating from the organization upon the expiration of their contract after 10 or more years of continuous service (A/64/30, para. 59 (b)). In the same resolution, it requested the Commission to promulgate guidelines for the Organization to follow when it terminated a staff member based on the agreement of both sides.

50. To address the issue of the introduction of end-of-service severance pay, further research on prevailing practices by other national, regional and international organizations as well as trends of staff separation in the common system was conducted. The secretariat also prepared proposed guidelines by soliciting the existing administrative instructions used by common system organizations in the case of agreed termination and comparing their practices in detail. The results were presented for the Commission's review. Based on the analysis, individual items specified in the guidelines included the following: definition, eligibility, provision

for job search, notice period, application process, level of indemnity enhancement, separation deferral for retirement purposes, and re-employment restriction, as well as other performance-related criteria.

51. The Commission requested its secretariat, in 2009, to collect the common system staff separation data every five years in cooperation with the organizations and, on that basis, to update as necessary the formula used for estimating the financial implications relating to separation payments (ibid., para. 67). That task had been postponed until the Commission completed its comprehensive review of the common system compensation package for the Professional and higher categories. Upon its completion in 2016, the ICSC secretariat collected the data from 2013 to 2015 through CEB and conducted analyses, comparing the results with those found previously in 2009 based on the 2006-2007 data. A total of 21 organizations provided the requested information.

Discussion in the Commission

52. With regard to end-of-service severance pay, the Human Resources Network was of the view that five years of service was a more realistic starting point, especially in the light of rulings of the different administrative tribunals during recent years, which confirmed some expectation of renewal of fixed-term appointments after five years of service under normal circumstances. The Network proposed a more progressive scale, with a payment amount gradually increasing along with the number of completed years of service, for staff separating after completing five years of continuous service with satisfactory performance.

53. The representatives of the three staff federations also believed that end-of-service severance pay should start after five years of continuous service, with one month of base pay per year of service completed by the time of separation. In particular, FICSA pointed out that a large number of staff were separated upon expiry of their fixed-term contracts owing to recent downsizing exercises by some common system organizations. UNISERV stressed that staff members on fixed-term contracts worked on core functions, just like those on permanent/continuing contracts, and that the only difference between those contract types was due to the fact that organizations could not issue open-ended contracts. Thus, those two groups of staff should be treated equally. CCISUA pointed out that the threshold of five years was more in line with practices of other international organizations, which also offered open-ended appointments. Its representative added that the financial implications should be less at present than originally presented in 2009, given the smaller number of staff separating after five years according to more recent separation statistics.

54. The Commission recalled the position taken by the General Assembly in previous reviews of the issue of introducing end-of-service severance pay. At the same time, it noted the evolution of the contractual framework in the common system over time. Organizations had predominantly issued permanent/continuing contracts when the initial proposal for an end-of-service grant had been put forward to the Assembly about 40 years ago. However, many of the organizations stopped doing so, which resulted in a large percentage of their staff serving on fixed-term contracts. It was also brought to the Commission's attention that "expiration of contract" was the most common reason of staff separation, based on the 2013-2015 data.

55. The representative of the United Nations Secretariat stated that the duration and context of peacekeeping and political missions had evolved since the 1990s. While temporary in nature, peacekeeping missions at present tended to last for many years, and a large number of their staff held fixed-term appointments. When missions closed, locally recruited staff members were ineligible to be reassigned to other missions and would have to find outside employment, often in countries that still did not have a robust local economy. There was consequently no financial safety net for the majority of locally recruited staff, who served in peacekeeping missions for many years, during the process of re-entry into the local labour market upon separating from the United Nations.

56. Based on the above, the Commission was of the view that providing severance pay, in lieu of an unemployment benefit, to long-serving staff separating from the organization at the expiration of their fixed-term contracts seemed reasonable. In particular, it recalled that the current separation arrangements resulted in a discrepancy in the treatment of long-serving staff, depending on whether they were terminated prior to the expiration of their fixed-term contracts or completed their contracts exactly at the time of separation owing to non-renewal.

57. It was also suggested that some budgetary/managerial dilemmas caused by the current separation payment schemes, for example whether to terminate staff with performance issues prior to the expiry of a fixed-term contract or to let the contract lapse, could be reduced. As a result, the organizations would be in a better position to manage their staff composition with the additional option of providing severance pay regardless of whether staff separation coincided with the expiration of a contract.

58. The Commission also considered that, in view of the recent developments in field and peacekeeping activities of the common system, the organizations needed a mechanism to reward staff who separated from organizations after long and productive service owing to the downsizing or closing of field or peacekeeping missions. It was noted that such staff were likely to face significant challenges in coping with volatile and often adverse economic conditions after their separation.

59. Regarding the level of the end-of-service severance pay, some Commission members as well as some representatives of the organizations considered the proposed two-bracket schedule too flat and preferred a more progressive scale. The staff federations were of the view that end-of-service severance pay should be set equal to the termination indemnity so as to ensure equity in treating separating staff who were on continuing and fixed-term appointments. The Commission recalled, however, that the termination indemnity differed from proposed severance pay in that the former was offered on the foreshortening of the contract, thus carrying the element of compensating for the loss of continued employment, while the latter implied no such loss. Therefore, its earlier conclusion that it would not be appropriate to set severance pay at the same level as the termination indemnity remained valid.

60. The Commission was informed that, based on the most recent common system staff separation data, the average number of separations was 2,400 and the average length of service used in the formula to calculate the non-salary-related financial implications of base/floor salary scale consolidations was 12 weeks.

61. On the basis of those assumptions, the financial implications of introducing end-of-service severance pay were estimated at $1.64 million per annum system-wide.

62. With regard to the agreed termination guidelines, the Human Resources Network highlighted that agreed terminations were the result of a negotiation process between the organization and an individual staff member, subject to its executive head's managerial decision. The Network believed that such an approach would not lend itself to one-size-fits-all regulations. As it was the prerogative of an executive head to determine the need for mutually agreed termination in specific situations in the interest of the organization, any restriction based on a predetermined set of scenarios could not be endorsed by the Network. It also had strong reservations with regard to the proposed conditions for job search, eligibility criteria and indemnity enhancement, as such provisions might reinforce the impression that a number of situations could lead to specific entitlements rather than acknowledge the nature of specific individual situations.

63. The staff federations stated that they could not support the proposed guidelines for agreed terminations. FICSA, noting that the guidelines, inter alia, proposed a 36-month restriction on re-employment, believed that the period was too long. It also considered that the decision on the restriction period should be left for organizations to decide. CCISUA believed that termination under mutual agreement was based on an individual negotiation process between a staff member and the organization, which depended on individual circumstances. Therefore, it would be difficult for the Commission to rule on this.

64. The Commission noted that the proposed guidelines were intended as a general framework and that organizations should be given flexibility in applying them, bearing in mind the diversity in the nature of their operations and the resulting needs of human resources to carry them out. At the same time, it stressed that, to be effective, any proposed agreed termination arrangements should enjoy the full support of the organizations.

65. It also observed that the current agreed termination arrangements of individual organizations appeared to have worked satisfactorily over the years, allowing them to address the vastly different circumstances under which such terminations occurred. It therefore concluded that if commonly agreed termination guidelines were to be introduced, this would require further study of and coordination with the organizations that took into account all the possible contingencies and concerns.

Decisions of the Commission

66. The Commission decided:

(a) Bearing in mind the decision of the General Assembly to revert to this issue at its seventy-first session and in view of the change in operational needs, particularly in peacekeeping, and the resulting needs of workforce planning, to submit its earlier recommendation to the Assembly that end-of-service severance pay be introduced for fixed-term staff separating from the organization upon the expiration of contract after 10 or more years of continuous service (A/64/30, para. 59 (b) and annex III);

(b) To revert to the guidelines for agreed termination at a later session;

(c) To use updated separation statistics in calculating non-salary-related financial implications of base/floor salary scale consolidations.

D. Compensation package-related issues

1. Status of implementation of the new common system compensation package

67. In its resolution 70/244, the General Assembly invited the Commission to present to the Assembly at its seventy-first session a progress report on the implementation of the new common system compensation package. The organizations of the common system submitted their status of implementation through the Human Resources Network, which presented an overview table, contained in annex III to the present report.

Discussion in the Commission

68. The representative of the Human Resources Network explained the table, which contained three indicators of implementation readiness: readiness from a human resources policies point of view, technical readiness referring to enterprise resource planning systems, and governance status. He recalled that the above-mentioned resolution stipulated three effective dates: 1 July 2016 for nine elements of the compensation package, including field and relocation allowances, 1 January 2017 for the unified salary scale and related elements, and 1 January 2018 as the reference date for the school year in effect on that day for the implementation of the new education grant scheme.

69. He stated that most organizations had implemented the first phase as of 1 July 2016. The governing bodies of some specialized agencies had decided to postpone that first phase to 1 January 2017, essentially for two main reasons: (a) for administrative simplification when implementing the two main phases at the same time; and (b) for specific budgetary and cost considerations pertinent to those organizations.

70. The representative also stated that, on the human resources policies and governance levels, almost all organizations were ready to implement on 1 January 2017. With regard to the operational and technical level, all organizations, including the United Nations funds and programmes, with the exception of the United Nations Secretariat, declared that they would be ready to implement or saw no difficulties in retroactive processing for a very short period of time should their enterprise resource planning systems not be ready at the effective mandated date of 1 January 2017.

71. Organizations had tried to align and join forces in preparing for the implementation of the new package. For example, those that used SAP as an enterprise resource planning system had approached that company for one common solution. Unfortunately, that solution was expected to be delivered only by the end of November 2016, which resulted in an issue of risk management, as predeployment activities, including quality checking of the software and testing of the changes, needed to be performed before implementation. Most organizations that used SAP, except the United Nations Secretariat, had therefore started to develop independent solutions at additional cost, in order to meet the mandated

deadline. Smaller organizations with less complex structures had, in general, fewer technical implementation problems.

72. The United Nations Secretariat, for its part, faced far more complexity and indicated that the Organization, despite working diligently on the issue, would not be ready to implement the unified salary scale and related elements on the mandated implementation date of 1 January 2017 and would not be able to handle retroactivity, given the volume and magnitude involved.

73. The Commission was informed that the Secretary-General had submitted a note to the General Assembly proposing a change in the effective mandated dates for the implementation of two elements, namely non-removal and mobility, from 1 July 2016 to 1 November 2016 and for the implementation of the new unified salary scale and related entitlements from 1 January 2017 to 1 September 2017, to address the aforementioned risk management challenges. The note by the Secretary-General (A/70/896) was considered by the Advisory Committee on Administrative and Budgetary Questions, which submitted its report (A/70/961) to the Fifth Committee at the end of June 2016. As the Fifth Committee had not yet discussed the issue, a decision was unlikely to be taken before December 2016.

74. The representative of the Human Resources Network explained that governing bodies of specialized agencies had already approved the implementation of phase 2 (unified scale and related entitlements) of the new compensation package on 1 January 2017 and would only meet again several months after that agreed implementation date. In the event that the General Assembly endorsed a postponement of phase 2 for the United Nations, there would be significant practical challenges to applying such postponement at a system-wide level at such a late moment.

75. A representative of the United Nations Secretariat provided additional clarification on the Organization's request to the General Assembly. The representative of UNDP explained that the funds and programmes were ready to implement on time and that they preferred no deferral, not least since intense communication efforts had been taken with staff members, and since further deferral would inevitably lead to an additional implementation cost. If the United Nations deferred, the funds and programmes wanted to go ahead with the implementation of the new unified scale in line with the original schedule mandated by the Assembly. The representative of UNESCO supported the latter. In the very near future, organizations had to inform newly recruited staff members who would join on or after 1 January 2017 as to what their remuneration package would be. Therefore, there was no choice but to abide by the resolution. UNESCO pointed out that it used the same enterprise resource planning system as the United Nations but had in-house expert contractors and had designed independent solutions.

76. The representatives of the staff federations pointed out that it would be problematic to have different implementation dates. Moreover, it was not certain whether and how the General Assembly would decide on the request of the Secretary-General. CCISUA expressed its concern that one organization intended to "slip" on all those implementation dates that applied to the new compensation package. The staff federation was certain that delays would mean retroactive recoveries of funds and unequal treatment of staff of different common system organizations. The representative of FICSA cautioned that differences in implementation dates and scales used might also lead to problems with the Pension

Fund and to further delays in that respect and, in general, to problems caused by retroactive payments.

77. Commission members pointed out that organizations had one year to prepare for the introduction of the unified scale, which they considered to be ample time, recognizing that there would be legal and operational challenges in maintaining two different systems at the same time. The Commission was also informed that the management of the Pension Fund had indicated that it would not want to retroactively recalculate pension accruals or entitlements. The Commission noted that delays would have an impact on cost.

Decision of the Commission

78. The Commission, while expressing its concern regarding the delay in implementation by some organizations, decided to take note of the information provided by the organizations, which was thoroughly examined, and to convey the information on the status of implementation, as submitted by the organizations and contained in annex III to the present report, to the General Assembly.

2. Review cycles of the level of existing allowances

79. In its resolution 70/244, the General Assembly requested the Commission to review all allowances under its purview in order to assess the requirements for upward revisions. Given its comprehensive review of the compensation package and the earlier request from the Assembly in its resolution 68/253 not to increase any of the allowances under its purview until the report on the comprehensive review (first phase) had been submitted to the Assembly, the Commission had not reviewed the level of many allowances since the commencement of the review in 2013.

80. The secretariat of the Commission submitted a conference room paper presenting an outline of the existing allowances and suggested possible adjustment cycles. The presentation was divided into two broad groups of allowances: (a) field allowances and relocation-related payments; and (b) dependency allowances and the education grant scheme. A five-year cycle had been proposed for field allowances in order to align them with the review of the continued need for the mobility incentive, which had been decided by the Commission in 2015.

Discussion in the Commission

(a) Field allowances and relocation-related payments

81. With regard to the proposed cycle for the field and related allowances, the Human Resources Network enquired as to the advantage of reviewing some field allowances every five years, as suggested, instead of every three years, as was currently the case. The Network noted that some allowances used to be updated on an annual basis when they were, in the past, linked to the salary scales. Other allowances were based on indicators that were frequently updated, such as the daily subsistence allowance, which formed the basis for setting the security evacuation allowance. Furthermore, the non-family service allowance was set in recognition of additional financial expenditures; thus, there was merit in reviewing those kinds of allowances more frequently, given that expenses increased continuously.

82. The representatives of the three staff federations also questioned the rationale for changing the review cycles from three years to five, especially since the organizations were undergoing frequent changes at present.

83. The Commission considered that there was merit in maintaining the three-year review cycle, as reviews needed to be timely in a rather volatile world. The Commission recalled that a five-year review timeline had been set for the mobility incentive in order to decide on its continued need, which was not about the level per se. The Commission wished to retain the distinction between the review of the level of allowances and the review of the continued need for the mobility incentive. Other field allowances, such as danger pay and the security evacuation allowance, whose levels had not been reviewed since their establishment in 2012, would be reviewed in 2017.

84. In order to ensure appropriate levels of allowances, the Commission considered that the overall adjustment period of five years might be too long for some allowances and that there was a need to differentiate between those considered as incentives (e.g. mobility incentive) and those for the reimbursement of costs (e.g. security evacuation allowance).

85. Looking, for example, at the indicators[3] established for the adjustment of levels of the mobility and hardship allowances at the time they were delinked from the salary scale, some indicators depended on the strength of the United States dollar, which could move up or down. It was recalled that, while at the time of the last review, in 2011, the indicators showed an increase of 7.33 per cent, 2.63 per cent and 5.44 per cent respectively, the Commission had applied a pragmatic approach and increased the level of those allowances by 2.5 per cent. An analysis of the indicators over the past five years would not trigger any adjustment, since there had been limited movement in the base/floor salary scale and there had been a negative movement in the out-of-area index used for post adjustment based on inflation factors in 21 countries.

86. The representatives of the staff federations also raised the issue of the hardship classification methodology for field duty stations, which merited a review. Although this was a separate matter, the Commission was apprised by its secretariat of the work currently being undertaken on the review of the hardship classification methodology, in particular with respect to the "A" category duty stations, on which more details would be provided at a future session.

(b) Dependency allowances and education grant scheme

87. Participants voiced no objections to the proposed adjustment cycles for the dependency allowances: the children's allowance, the disabled child allowance, the secondary dependant's allowance and the spouse and single parent allowances. However, certain questions and concerns were raised regarding the schedule relating to the new education grant scheme. In particular, the staff federations questioned delaying the review of the declining education grant scale and boarding lump sum levels to 2019. The representative of FICSA recalled that the new education grant scheme should be implemented as of the 2017/18 school year. However, if for any

[3] The average movement of net base salary plus post adjustment in the eight headquarters locations of the United Nations system; the movement of the out-of-area index used for post adjustment based on inflation factors in 21 countries; and the movement of the base/floor salary scale.

reason the new system was not in place by then, the 2014/15 ceilings should be used to update the reimbursement ceilings under the current system. He also stressed that the two-year review cycle should be maintained, as tuition costs continued to change quickly. The representative of CCISUA added that, since the General Assembly did not explicitly preclude a review of the education grant rates before the introduction of the new scheme, such a review would be justified. It was noted that the 2010/11 ceilings had already been used for five years and might be used for a sixth year and that the 2014/15 rates would be in use for at least four years if the proposed schedule was approved. That meant that the reimbursement levels would no longer reflect reality.

88. Some organizations and Commission members sought additional clarification and explanation relating to the proposed schedules for the education grant. In that connection, the Commission was informed that, under the new system, reimbursement would be driven exclusively by tuition levels and no longer by education grant claims. This obviated the need to wait for the claim data to be collected and analysed before their review could be conducted, and thus allowed basing reimbursement rates on up-to-date tuition levels. In effect, the declining scale approved by the Generai Assembly at the end of 2015 was based on 2014/15 tuition rates.

89. The Commission noted that replacing country-specific reimbursement rates with a global scale resulted in increases in reimbursement, which were not insignificant for many current country/currency areas, including the largest one, the United States dollar outside the United States. That would secure reasonable reimbursement for at least a few years to come.

90. Given the considerations above, it was suggested that the proposed schedule would allow instituting the proposed two-year review cycle of the grant, updating the declining scale and the boarding lump sums two years after the introduction of the new system without jeopardizing the adequacy of reimbursement levels during the initial years of the new scheme.

91. Finally, regarding the education grant methodology, it was recalled that the General Assembly, in its resolution 70/244, requested a comprehensive assessment report on the compensation package by 2020. Including the education grant in that report would be indispensable.

Decisions of the Commission

92. The Commission decided to:

(a) Review the level of allowances under its purview in accordance with the schedule outlined in annex IV to the present report;

(b) Reiterate that the mobility incentive was subject to review with regard to its continued need five years from the implementation of the revised compensation package (i.e. in 2021).

3. Use of categories of staff in the United Nations common system

93. At its seventy-fifth session, the Commission decided to undertake a comprehensive review of the common system compensation package. The Commission also decided that the compensation review would commence with the

Professional and higher categories and would subsequently be extended to the National Professional Officer and the General Service and related categories (A/69/30, paras. 50 and 53).

94. In its resolution 69/251, the General Assembly noted the intention of the Commission to review the compensation package for staff in the General Service and National Professional Officer categories once the review of the compensation package for staff in the Professional and higher categories was completed.

95. At its eighty-second session, in 2016, the Commission reviewed two documents, on the overview of staff categories in the United Nations common system and on the use of categories of staff in the United Nations common system. The two documents presented the evolution of staff categories since their inception, general staff statistics over the recent years, information on the utilization of common classification of occupational group codes, patterns in staff mobility, and the distribution of staff within grades. The papers discussed the apparent overlap of functions between categories, in particular the case of the Field Service category overlapping with the Professional and the General Service categories. Details were also provided on the differing practices among organizations with regard to the use of National Professional Officers, as some organizations used that category extensively while others, such as the headquarters-based organizations, did not employ National Professional Officers. Finally, some examples of external practices in the use of locally and internationally recruited staff were presented to the Commission.

96. As a result of the discussion, the Commission agreed that the use of all categories, as it related to the comprehensive review of the compensation package, should be examined prior to the actual review of the remuneration package of each staff category. In this regard, the Commission requested its secretariat to provide additional information on the following aspects:

(a) Rationale, definitions and characteristics of various categories;

(b) Possible overlaps of or gaps in functions among the various categories using ICSC job classification standards in line with article 13 of the ICSC statute;

(c) Review of the current criteria and guidelines for the use of the National Professional Officer category in view of the current organizations' mandates and the related differences in the context of work;

(d) Possible application of existing ICSC job classification standards for jobs in the Field Service category, and/or possible development of a classification standard for Field Service positions by ICSC and development of appropriate criteria/principles for use by the Field Service category regarding work areas/tasks;

(e) Career development within and across various categories.

97. The Commission also requested organizations and staff federations to provide information on practices and needs with regard to the use of various categories of staff in the United Nations common system compared with the initial rationale for their use.

98. The ICSC secretariat proposed to conduct the review in phases. The first phase would focus on examining the first three issues above, as requested by the Commission, in addition to inputs from organizations and staff federations on the

use, needs and practices of the various categories of staff. During the second phase, Field Service category and career development issues would be reviewed, as well as the use of categories of staff and any other issues identified by the Commission.

99. At the Commission's eighty-third session, those results of the 2013 ICSC staff survey that focused on the responses from National Professional Officers and staff in the General Service and Field Service categories were provided. The survey findings suggested relatively small differences between the categories in relation to attraction, engagement and retention factors. Furthermore, information on the staff composition as at December 2015, with details on the three categories of staff, obtained from organizations, was provided. Information on the rationale, definitions and characteristics of the four categories of staff, including typical education requirements and differentiated by grade, was presented. When discussing possible gaps and overlaps in functions, the information provided during the eighty-second session was reiterated in relation to overlap of functions of the grades in the Field Service category with those in other categories of staff, for example the FS-2 to FS-5 grades with the G-3 to G-7 levels, and the FS-6 and FS-7 grades with the P-3 and P-4 levels, respectively.

100. With respect to current practices in the use of categories, the nationalization of staff functions in peacekeeping operations and field offices and examples thereof, in response to requests by the General Assembly in its resolutions 61/276 and 66/264, were presented. In relation to the review of the National Professional Officer criteria, the discussion at the previous session was recalled. The increase in the usage of that category reflected both the positive impact made by such staff and changes in organizational mandates that required a new approach to how organizations went about delivering their programmes. In essence, the increasing importance of working directly with countries and regions in relation to capacity-building projects had increased the need for National Professional Officers, whose knowledge of local conditions was fundamental to working in cooperation with countries. The Commission had recognized that much had changed in terms of the activities of organizations and had suggested that the criteria for their employment merited further consideration. Finally, it was proposed that possible options be explored with organizations, such as: (a) modification of the current National Professional Officer criteria to include some flexibility, such as recruitment within a region; and (b) establishment of a Professional Officer category, which permitted local recruitment regardless of the nationality of the candidate.

Discussion in the Commission

101. The Human Resources Network took note of the document. As a first step, the Network wished to focus on the review of the National Professional Officer and the Field Service categories. The Network agreed in principle with the Commission's view that the criteria for employing National Professional Officers merited further consideration, including a more flexible and expanded use of National Professional Officers, as this would be in line with the increases in shared services from Headquarters and regional offices and for delivering core administrative functions, which, according to the organizations, required National Professional Officers with a regional focus. Three aspects of the current provisions merited adjustments in the short term: (a) the nationality requirement; (b) the current restriction to work only in a national context; and (c) the current restriction for the use of National Professional Officers only outside the eight headquarters duty stations. The Network requested

the Commission to consider those aspects and to update current provisions, given modern-day realities. These should include rethinking the original intent to the notion of "building national capacity" in the light of prevailing skilled labour markets.

102. Regarding the Field Service category, the Network agreed that in-depth analysis was warranted with a view to identifying any overlap between the work performed by staff of the category and that of other categories, including circumstances governing future use of that category of staff. The Network agreed that there was a continued need for the Field Service functions. Such staff members had very specific skills, experience and background, particularly in administrative, security and technical functions such as logistics, information technology and telecommunications, engineering and related areas, and often "prepared the ground" for the successful deployment, sustainment and liquidation of field missions and the work of other United Nations organizations in new and challenging duty stations. Owing to those circumstances, the category should continue to be a core component of staffing in field missions and focus on rapid deployment.

103. The Network was of the view that the contractual framework and use of staff categories were closely interlinked. In addition to the more immediate changes required with regard to the National Professional Officer category, the Network felt that there was merit in additional discussion and analysis on how to further simplify and streamline the different staff categories in the longer term. The Network was, in principle, interested in future arrangements that rationalized the number of categories to the minimum necessary. This would require more careful study of options and their implications.

104. FICSA stated that the issue of the National Professional Officer category should be examined from all angles: political, strategic and mobility, and more importantly from the Charter of the United Nations, in particular Article 101 on the nature of the United Nations, geographical diversity, impartiality and maintaining the highest level of integrity and professionalism. FICSA also reiterated the need for clear definitions for four categories (General Service, Field Service, National Professional Officer, Security Service) to be developed or confirmed at the outset, as this would set the parameters of the discussions. FICSA also emphasized the need for a working group to explore in detail these points and not to rush into any conclusions. Finally, FICSA expressed its strong view that non-staff should be included in the study in order to map the workforce and analyse the need for such a workforce category. The staff federation had a concern regarding non-staff performing regular staff tasks.

105. CCISUA emphasized the importance of realigning compensation for Security category staff with that of local law enforcement personnel, given the unique nature of their work, and welcomed the informal meeting with Commission members on the subject. It also believed that the Field Service category allowed for the rapid deployment of much-needed skills to peacekeeping operations and that the category should be maintained.

106. With regard to National Professional Officers, it noted from a survey conducted by the federations that their academic profile matched that of international staff and that they were increasingly asked to do comparable work, for example covering numerous countries in their region, supporting operations globally, running country offices and taking over posts that used to be classified

under the international Professional category. Three quarters of National Professional Officers had expressed dissatisfaction with being paid lower salaries while performing international Professional work with international responsibilities. It was also clear that National Professional Officers were less interested in expanding their category to regional or international tasks and more interested in gaining access to international Professional positions, for which some organizations had unfairly created barriers. CCISUA believed that those barriers should be removed.

107. If organizations used National Professional Officers for regional tasks, they would need the best in the region, which would require regional and subregional pay scales based on the Noblemaire principle. However, as regional officers would not be deployable to another region, organizations needed to be clear about whether they valued global mobility and deployability in their professional staff. That would also undermine organizational efforts to ensure diversity in positions of regional and global responsibility. Furthermore, the value added of international organizations was to bring experience from one region to another. In the view of CCISUA, the organizations' proposal would undermine their globalist nature and effectively lead to many professional staff from low-income countries being paid less.

108. Commission members agreed that it was a complex subject. The National Professional Officer category in particular seemed to have expanded in use and evolved over the years and possibly needed to be restructured. During the debate, organizations provided some practical information on the current use of the categories of staff. They stressed that Member States expected them to deliver results and to work and engage differently than in the past. The largest portions of their budgets were directed to costs related to the workforce. The National Professional Officer category was the only category that had a nationality requirement, and it was suggested that the possibility of modifying that criterion be examined. It was also pointed out that all staff categories performed global functions, with the exception of the National Professional Officer category, which included the criterion of work in a national context, and that that feature should also be removed. Some organizations stated that it was difficult to explain the requirement of nationality to many candidates who had the legal right to work in a place outside their country of nationality. Some organizations had already gone beyond the criteria regarding hiring from the local market.

109. Commission members also noted that organizations had pointed to the changes in the use of the General Service category, which had evolved, partly as a result of technology, from lower clerical/support tasks to more substantive work. Staff in that category came with higher education and qualifications than when the category was established and were able to perform higher-level tasks; therefore, a more modern approach to reflect current realities should be applied. Regarding career paths, members of the Commission noted the organizations' views that there sometimes existed artificial differences between higher-level General Service staff and lower-level National Professional Officers, which merited a review. Notwithstanding the fact that many organizations had good career paths allowing General Service and National Professional Officer staff to apply for international posts, the review was an important opportunity to reduce career barriers for staff. Organizations emphasized that locally recruited staff were also international civil servants and were the backbone of the organizations.

110. Those organizations that used or would potentially use the Field Service category stressed that it was an important category. The United Nations Secretariat, as the largest user of the category, informed the Commission that the Field Service was essential to providing life support elements, such as transport, information technology and engineering, to enable missions to carry out their mandates. UNHCR noted that Field Service staff were used only for support services in remote locations and not for any professional tasks and emphasized the usefulness of the category.

111. In this regard, some members of the Commission noted that organizations had different workforce requirements based on their structures and that some field-based organizations had embarked on the nationalization of posts, some as part of their response to the Sustainable Development Goals, in other cases for budgetary reasons, and in the case of peacekeeping operations further to the requests of the General Assembly. Other Commission members expressed concern regarding the use of National Professional Officers for regional work, as this would mean that the raison d'être of the category, which was the context of their capability to contribute to the development of their country, would disappear, and questioned whether the feature should be preserved. If a regional category were to be created, this would require different job descriptions and possibly different levels of remuneration. Furthermore, the overlap with the international Professional category and any definition and scope of a region, which could encompass an entire continent, would need to be addressed. At the same time, changes had taken place regarding the movement of people.

112. Commission members observed the different elements of the compensation package of internationally recruited and nationally recruited Professional staff as presented at the eighty-second session. There were differences in the salary component, mainly in the allowances received by international staff. The Commission debated the request from organizations for greater flexibility of the National Professional Officer category and stated that this was a complicated matter. However, it was clear that remuneration was a secondary issue, the fundamental issue that needed to be addressed being the purpose of the category. In considering the issue of flexibility, Commission members stated that this might go against control and reasonable use of resources but that there might be a need to be open to the organizations' arguments. The rights of staff needed to be preserved with the notion of equal pay for work of equal value; posts should be very clear as to functions, responsibilities and skills and should have a clear profile to validate the cost, to see if locally recruited staff should be remunerated differently from internationally recruited staff. The question would be how to extrapolate the National Professional Officer category to a regional context while retaining the impartiality and effectiveness of the international civil service. Commission members discussed the need to create a new category to allow staff to work in a regional context. The Commission recalled that international staff were hired in the international market and were expected to move geographically, which was a defining criterion of the category, while national officers were hired in the local market and were not expected to move; this was the divide between the two categories. The Commission considered that in this case perhaps the system could be streamlined by having only two categories of staff: internationally recruited and locally recruited.

113. Commission members outlined some possible options: (a) an in-depth study to be undertaken; this, however, would be a lengthy process and was not what the organizations were asking; (b) focus on two issues, namely the nationality requirement for National Professional Officers and how to staff regional offices using expertise found in a national context; and (c) examining issues concerning local recruitment of staff, such as better orientation and teamwork. Regarding General Service staff, the Commission proposed undertaking a detailed study, given the way in which work had changed for that group of staff, examining overlaps with other categories and identifying functions that were no longer undertaken by the category. Regarding the staff federations' concern over the growing use of non-staff by organizations, the Commission noted that the issue was before the General Assembly and that it would be guided by the Assembly's decisions.

Decision of the Commission

114. The Commission decided to request the secretariat to:

(a) Undertake further studies on:

(i) Issues identified in the discussions at the session on various categories (General Service, Field Service, National Professional Officer and Security Service);

(ii) Practices of similar international organizations on their use of internationally and locally recruited professional personnel;

(b) Develop options on the use of internationally recruited and locally recruited professional staff in the United Nations common system;

(c) Present a report containing the information and findings on the use of categories of staff through a working group modality.

Chapter IV
Conditions of service of the Professional and higher categories

A. Base/floor salary scale

115. The concept of the base/floor salary scale was introduced, with effect from 1 July 1990, by the General Assembly in its resolution 44/198 (sect. I.H, para. 1). The scale is set by reference to the General Schedule salary scale of the comparator civil service, currently the federal service of the United States of America. Periodic adjustments are made on the basis of a comparison of net base salaries of United Nations officials at the midpoint of the scale (P-4, step VI) with the corresponding salaries of their counterparts in the United States federal civil service (step VI in grades GS-13 and GS-14, with a weight of 33 per cent and 67 per cent, respectively).

116. In its resolution 70/244, the General Assembly approved a unified salary scale, with effect from 1 January 2017, which should be updated to reflect any adjustments in reference salaries of the comparator that might take place between the approval of the scale and its implementation. In section III, paragraphs 9 (a) and (b) of the resolution, the Assembly decided that the salary levels of staff members that were higher than those at the maximum step of their grade upon conversion to the unified salary scale should be maintained by the Commission as a pay protection measure and that those salaries should be adjusted for any changes in post adjustment, including consolidation of post adjustment to base salaries approved by the Assembly.

117. In adjusting the unified salary scale structure, it was necessary to consider the movement in the comparator reference salary points on the basis of officials with no primary dependants. This was done on the basis of the procedure approved by the General Assembly for netting down the United States federal civil service gross salaries in the context of the net remuneration margin methodology upon introduction of the unified salary scale (see resolution 70/244, sect. II.B, para. 4). The adjustments are implemented by means of the standard method of consolidating post adjustment points into the base/floor salary, that is, by increasing base salary while commensurately reducing post adjustment.

118. The Commission was informed that a 1 per cent increase had been implemented with effect from 1 January 2016 in the base General Schedule scale. In addition, minor changes with respect to tax schedules and the personal exemption amount had been introduced at the federal level for 2016. No tax-related changes had occurred for the State of Maryland and the State of Virginia. For the Federal District of Columbia, a decrease in the tax rate for taxable income between $40,000 and $60,000 was implemented, along with a slight increase in the personal exemption amount.

119. On the basis of the considerations set out above, the financial implications associated with the Commission's recommendation regarding an increase in the base/floor salary scale, estimated on the basis of the difference between the unified salary scale approved by the General Assembly in its resolution 70/244 with effect from 1 January 2017 and the recommended unified salary scale, as shown in annex V to the present report, were estimated at $438,000 per annum, system-wide.

Discussion in the Commission

120. The Human Resources Network concurred with the recommendations on the issue. The staff federations, while noting the recommendations, pointed to the estimated reduction in the related costs for 2017, which, in their view, could be available for the introduction of separation payments for fixed-term staff. The Commission noted that the estimated reduction in costs associated with separation payments (termination indemnity, repatriation grant and death grant) resulted from the introduction of the unified salary scale and the use of the latest available data from the organizations collected in 2016. Unlike the current system, which differentiates between the base salaries of staff members with primary dependants and those without such dependants, resulting in differences in separation payments, no such differentiation would occur with the introduction of the unified salary scale.

121. The Commission also noted that the revisions to the base/floor salary scale were done on the basis of the standard procedure whereby an increase in base/floor salaries was implemented with a corresponding reduction in post adjustment. The Commission therefore was in agreement with the proposed recommendations.

Decisions of the Commission

122. The Commission decided to recommend to the General Assembly, for approval with effect from 1 January 2017, the revised unified base/floor salary scale shown in annex V to the present report, reflecting a 1.02 per cent adjustment over the unified salary scale previously approved by the Assembly, to be implemented by increasing the base salary and commensurately decreasing post adjustment multiplier points, resulting in no change in net take-home pay.

123. The Commission also decided to approve the pay protection points shown in annex VI, which would be in conjunction with the salary scale referred to in paragraph 122 above.

B. Evolution of the United Nations/United States net remuneration margin

124. Under a standing mandate from the General Assembly, the Commission reviews the relationship between the net remuneration of United Nations officials in the Professional and higher categories in New York and that of United States federal civil service officials in comparable positions in Washington, D.C. For that purpose, the Commission annually tracks changes occurring in the remuneration levels of both civil services.

125. In section II.B of its resolution 70/244, the General Assembly recalled its request, contained in its resolution 69/251, that the Commission continue action to bring the calendar year margin to around the desirable midpoint and further examine issues relating to margin management. Furthermore, also in its resolution 70/244, the Assembly approved the recommendations of the Commission on the margin management methodology and decided that, if the margin trigger levels of 113 or 117 were breached, the Commission should take appropriate action through the operation of the post adjustment system.

126. As of 1 January 2016, the comparator civil service had implemented a 1.46 per cent increase in the General Schedule in the Washington, D.C., locality, consisting

of a 1.0 per cent increase in base salaries and an increase in the locality pay from 24.22 per cent to 24.78 per cent. Other developments relevant to the comparison were:

(a) Revisions to the federal tax brackets and standard and personal deductions, which resulted in slight reductions in overall income taxes in the Washington, D.C., metropolitan area;

(b) A post adjustment multiplier of 64.9 in New York for the period from January to December 2016 and the current net base/floor salary scale, which became effective on 1 January 2016;

(c) A revised cost-of-living differential between New York and Washington, D.C., provided by the external consultant of 113.8, which is recalculated every two years.

127. On the basis of the above, the Commission was informed that the estimated net remuneration margin for 2016 amounted to 114.1. While the new trigger points seemed to render the measurement of the five-year average margin no longer necessary, the Commission was informed, following a query on the same matter, that a calculation would show the five-year average margin (2012-2016) to be at 117. The details of the comparison are shown in annex VII to the present report.

Discussion in the Commission

128. The representatives of the Human Resources Network and the staff federations took note of the findings of the latest margin comparison and concurred with the recommendations of the Commission. FICSA and UNISERV supported a stronger text to ensure that the margin would be maintained in 2017 if the comparator civil service applied the announced 1.6 per cent salary increase in the Washington, D.C., locality as of 1 January 2017. CCISUA noted that the new margin methodology was aimed at managing the margin level over a period of time by bringing the calendar levels closer to the desirable midpoint of 115. This compared favourably to the previous arrangements whereby the calendar point could freely fluctuate between 110 and 120, with necessary retroactive corrections on the margin over a five-year period. Therefore, in its view, the 113 and 117 trigger points would bring more stability and ensure longer-term convergence at 115 without the need for volatile retroactive corrections.

129. The Commission noted that a 1.6 per cent increase in the comparator's General Schedule was expected on 1 January 2017. While it was not known at the present time how the increase would be distributed across the various locality pay areas, and the Washington, D.C., locality in particular, such an increase could result in a margin level below the trigger point of 113 in 2017, thus requiring action by the Commission through the post adjustment system. The Commission agreed that, should circumstances in the comparator civil service change, there would be sufficient time for the secretariat to react, as action by the Commission based on the trigger points would be required only in February 2017, when the post adjustment for New York would next be reviewed.

130. The Commission noted that the overall United Nations/United States margin range was 110 to 120, with a desirable midpoint of 115 over a period of time. The Commission was required to take action, however, if the margin breached the trigger points of 113 or 117. As to how the margin should be brought within those

trigger points, the Commission generally agreed that the margin should not be allowed to go below 113. Some members noted that, since the five-year average was currently 117, no additional action would be required other than to bring the calendar margin to the trigger point of 113. At the same time, with regard to the average margin, it was recalled that the management of the margin based on the trigger points of 113 and 117 had been recommended to the General Assembly by the Commission after it had been determined that the management of the margin on the basis of the five-year average was volatile. On the whole, the Commission agreed that it should act to bring the margin within the range of 113 to 117 in calendar year 2017.

131. The Commission noted that the estimated margin level of 114.1 for 2016 was based on the latest available data. In this regard, it was agreed that, should the common system personnel statistics as at 1 December 2015 become available prior to the presentation of the Commission's annual report to the General Assembly at its seventy-first session, the Chair should, in accordance with the usual practice, update the margin estimate and submit it to the Assembly when introducing the Commission's annual report.

Decisions of the Commission

132. The Commission, noting that its Chair would provide an updated margin estimate to the General Assembly, as may be required based on the availability of the most recent common system personnel statistics, decided:

(a) To report to the General Assembly that the margin between the net remuneration of United Nations officials in the Professional and higher categories in New York and that of officials in comparable positions in the United States federal civil service in Washington, D.C., was estimated at 114.1 for the calendar year 2016;

(b) To continue monitoring the level of the margin and to take the necessary corrective action under the operation of the post adjustment system should the trigger levels of 113 or 117 be breached in 2017.

C. Post adjustment matters: report of the Advisory Committee on Post Adjustment Questions on its thirty-eighth session and agenda for the thirty-ninth session

133. Pursuant to article 11 of its statute, the Commission continued to keep under review the operation of the post adjustment system, and in that context considered the report of the Advisory Committee on Post Adjustment Questions on its work at its thirty-eighth session. In particular, the Commission considered the Committee's main conclusions and recommendations on methodological issues pertaining to the 2016 round of cost-of-living surveys, including the list of items and their specifications, redesigned data collection forms, procedures for establishing new common expenditure weights to be used in post adjustment index calculations, procedures and guidelines for data collection at headquarters duty stations, the schedule for the baseline cost-of-living surveys at headquarters duty stations and Washington, D.C., and a proposed agenda for the thirty-ninth session of the Committee.

Discussion in the Commission

134. The representatives of the Human Resources Network and the staff federations expressed their appreciation for the work of the Committee and concurred with the recommendations outlined in the note by the secretariat of ICSC. Furthermore, the representatives of the Network expressed support and appreciation for the increased use of cooperation partners, both as a measure to harmonize cost-of-living measurements and operations in different international organizations and to achieve greater administrative synergies. They suggested that the ICSC secretariat should continue to explore additional means to simplify and streamline data collection wherever possible and warranted, and to enhance the use of external data as a means to reduce the administrative burden on organizations, staff members and the ICSC secretariat itself.

135. Representatives of staff federations took note of the secretariat's stated intention of continuing its consultations with the established local survey committees in all aspects of the preparations for and administration of the forthcoming baseline cost-of-living surveys, and pledged their full cooperation to ensure a higher level of staff member participation in the surveys. However, they requested clarification regarding the precise geographical boundaries of the canton of Vaud to be used for price and rent survey data collection, and suggested that the boundary should be limited to the area closest to Geneva frequented by United Nations staff, namely, the prefecture of Nyon and surrounding areas in the southern part of the canton.

136. The Chair of the Advisory Committee clarified that the list of outlets and the associated geographical coverage for price and rent data collection for the cost-of-living survey in Geneva was to be decided in consultation with the Geneva local survey committee. With regard to neighbourhoods considered for rent data collection, the Chair clarified that rent data collection was to be conducted by the International Service for Remunerations and Pensions in accordance with its methodology, and that, in this regard, the treatment of Geneva as a duty station would not differ in any way from that of New York, where selected areas outside the limits of New York City in Westchester County and New Jersey were included by the International Service in rent surveys.

137. In its discussion of the revised list of items and specifications, the Commission asked for an estimate of the financial implications of the new items, considering the fact that the vast majority of them would be extracted from the market basket of the European Comparison Programme, which was nearly 10 times larger than that of ICSC. The Commission also asked whether the approximate number of 300 items in the ICSC list was sufficient to efficiently cover the consumption patterns of United Nations staff members serving around the world. In response, the secretariat stated that the financial implications of using the new list of items, as well as all other changes to the methodology for calculating the post adjustment index, and the operational rules for determining post adjustment multipliers, could not be assessed fully until after price and expenditure data collected from the baseline surveys had been analysed. However, it was reasonable to assume that there would be savings in price data collection costs in group I duty stations covered by the European Comparison Programme, from which the ICSC secretariat would no longer be collecting price data. The secretariat also stated that the results of simulations carried out on the basis of historical data and the existing methodology indicated

that the change to the new method of calculating the rent index for group I duty stations would have the effect of reducing net remuneration, while the new harmonized specification of the out-of-area weight would have the opposite effect in high-cost duty stations. The secretariat also confirmed that the list of around 300 items was adequate for the Commission's purposes, namely, bilateral comparisons of the cost of living, as opposed to the list of the European Comparison Programme, which was aimed at achieving measurements of multilateral purchasing power parities. Furthermore, increasing the number of items from the proposed 300 that had been used for previous rounds of surveys was not likely to produce higher levels of accuracy.

138. With regard to the estimation of the new set of common expenditure weights, members of the Commission took note of the changes to the basic heading structure of the post adjustment index, as well as the enhancements made to the methodology and operational rules of the post adjustment system over the years, and expressed their agreement with the proposals for changes to the basic heading structure of the post adjustment index, as well as for the extension of the eligibility criteria for completion of the ICSC cost-of-living surveys to include staff at the D-2 grade. They emphasized the critical role of staff representatives and of the management of organizations in the administration of the surveys, and called for their full cooperation with the secretariat of the Commission in encouraging staff participation, in order to achieve the desired high response rates.

139. In response to requests for clarification from members of the Commission, the secretariat described several aspects of the out-of-area component of the post adjustment index, including the categories of expenditures covered, the classification of purchases made on the Internet, the distinction between the weight of the component and the weights associated with the 26 countries used in the calculation of the out-of-area index and the rationale for the inclusion of the out-of-area component in the post adjustment index. The secretariat explained that the compensation systems of many international organizations and Member States, including the comparator civil service, provided for an adjustment of a portion of salary for out-of-area expenditures. It added that the out-of-area component was included in the post adjustment index in order to reflect the international character of United Nations staff members who, in varying degrees and for a number of different reasons, were all obliged to incur at least some of their expenditures abroad. Representatives of the staff federations strongly supported the rationale for the inclusion of the out-of-area component in the post adjustment index structure, especially for field duty stations, many of which had very limited availability of basic goods. The index constituted a worldwide average inflation used to adjust over time the proportion of salary expended abroad. It was not a compensation measure for staff members for the quantum of expenditures incurred abroad. The out-of-area component also assumed the function of being a stabilizing factor in the evolution of the post adjustment index.

140. The secretariat further clarified that the rationale for the inclusion of the out-of-area component, along with the medical insurance and pension contribution components, had been reviewed by the Committee as part of the review of the compensation package in order to possibly simplify and streamline the structure of the post adjustment index. However, the final conclusion of the Committee, endorsed by the Commission, was that the existing post adjustment index structure was fit for purpose and cost-effective, and that removing any of the aforementioned

components would further complicate the administration of salaries, introduce a measure of instability in salary adjustments over time and increase the disparity in salaries between high- and low-cost duty stations. Consequently, the Committee recommended that the structure of the post adjustment index not be changed, and the Commission decided to modify the operational rules in order to improve the accuracy, transparency, predictability and sustainability of salary adjustments.

Decisions of the Commission

141. The Commission decided:

(a) To approve the revised list of items, together with their specifications, while granting the secretariat the flexibility to make further minor revisions, subject to the approval of the Chair of the Commission, prior to its finalization before the launch of the 2016 round of surveys;

(b) To take note of the Committee's recommendations with regard to the revised data collection forms to be used in the 2016 round of surveys;

(c) To approve the proposed procedures and guidelines for data collection for the baseline cost-of-living surveys at headquarters duty stations, as recommended by the Committee;

(d) That the staff expenditures surveys at headquarters duty stations and Washington, D.C., should be addressed to all eligible staff and that the data collected be used for the derivation of common expenditure weights, on the basis of the guidelines provided by the Committee;

(e) To include staff at the D-2 grade in the population of staff eligible for the Commission's cost-of-living surveys, starting with the 2016 round of surveys;

(f) To call for the active cooperation of organizations and staff federations through the established local survey committees, with the secretariat, in order to ensure the successful conduct of the surveys and the achievement of the desired high response rates;

(g) To approve the Committee's recommendation that, if response rates are insufficient, estimates of common expenditure weights, for the 2016 round of surveys only, be derived from 2010 common expenditure weights updated with relevant national consumer price indices;

(h) To approve the changes to the basic heading structure of the post adjustment index, with effect from the 2016 round of surveys, as recommended by the Committee;

(i) To approve the schedule of the 2016 place-to-place surveys, as recommended by the Committee;

(j) To approve the proposed agenda for the thirty-ninth session of the Advisory Committee on Post Adjustment Questions as shown in annex VIII.

D. Report on gender balance in the United Nations common system

142. The status of women in the United Nations common system represents an important item that the Commission has addressed periodically under its mandate

from the General Assembly. The Commission reviewed the status of women in the organizations of the common system in 1985, 1993, 1998, 2004, 2006, 2008, 2010 and 2014.

143. At its seventy-eighth session, in 2014, the Commission noted that a sufficient number of policies and measures were already in place (A/69/30, para. 132). It noted that the challenge was implementing them effectively to yield the intended outcome, which was to create an organizational climate conducive to the equal participation of men and women in the work of the organizations of the common system. The Commission observed the disconnect between gender-sensitive policies and their implementation, and stressed the need for a coordinated and harmonized approach in devising long- and short-term measures to attract and retain competent women and men.

144. In its resolution 69/251, the General Assembly noted with disappointment the insufficient progress made with regard to achieving the goal of 50/50 gender balance in the United Nations common system, especially in the Professional and higher categories, and requested the Commission to encourage the organizations of the common system to fully implement existing gender balance policies and measures. The Assembly also encouraged the Commission to continue to monitor progress in achieving gender balance and to report thereon in compliance with the decision contained in paragraph 137 of the report of the Commission (A/69/30), in which the Commission decided: (a) to take note of the progress made with regard to the status of women in the Professional and higher categories in organizations of the United Nations common system, while expressing its concern that the goal of 50/50 gender balance remained unmet, especially at the D-1 level and above; (b) to urge organizations to fully implement existing gender balance policies and measures, including the Commission's previous recommendations outlined in documents A/63/30 and A/64/30 and Corr.2; (c) to underscore the importance of integrating gender balance and geographical distribution into its ongoing review of the United Nations common system compensation package; (d) to request its secretariat to coordinate with UN-Women in the preparation of its reports on this item and to align the monitoring cycle with the reporting cycle of UN-Women in order to obtain the most recent data and information on gender balance in the organizations of the United Nations system; (e) to monitor future progress in achieving gender balance in the organizations, together with geographical distribution, as a part of a comprehensive report on diversity in the United Nations common system; and (f) to request its secretariat to provide a report, based on the latest information, and thereafter monitor future progress in achieving gender balance in the organizations of the common system every four years.

145. In 2015 the General Assembly again addressed the issue of gender balance, in its resolution 70/244, in the context of the review of the common system compensation package. The Assembly recalled its request, contained in its resolution 69/251 and summarized above, and the decision of the Commission contained in paragraph 137 of its report for 2014 (A/69/30), and in that regard requested the Commission to provide information to the Assembly in future annual reports on how the new compensation package contributed to the strengthening of gender balance and geographical diversity.

146. In response to the request of the General Assembly, contained in resolution 70/244, the secretariat presented a report providing information on gender-sensitive

policies and measures that had been put in place to support a work environment conducive to achieving gender balance in the organizations of the common system. In the report, it was noted that efforts had to be made to overcome the informal organizational cultures that constrained the advancement of female staff in the organizations of the common system. It was suggested that a system-wide staff survey would be an opportunity to identify informal barriers. The results of such a survey could also provide guidelines to organizations in validating their current policies and measures and in formulating new policies to facilitate an inclusive workplace. In addition, it could provide information on the level of utilization and awareness of available policies and measures so that necessary adjustments and amendments could be made by organizations for their effective implementation. UN-Women would be central to conceptualizing and executing a staff survey on organizational culture towards creating an inclusive workplace.

Discussion in the Commission

147. The Human Resources Network concurred with the report presented by the ICSC secretariat and informed the Commission that organizations had confirmed their commitment to achieving gender parity across all grade levels in the United Nations system organizations. This was a multifaceted challenge that needed to be considered in all areas of human resources management as reflected in the report. Organizations continued working towards the goal of gender parity. One positive recent development in the United Nations Secretariat was the endorsement of a holistic Secretariat-wide gender equality strategy by the Management Committee. The Network noted the proposal to consult with the organizations and UN-Women on the possibility of conducting a system-wide staff survey on the implementation of existing policies and measures to achieve gender parity. It confirmed that the organizations were ready for consultations on a more detailed proposal that would clearly highlight the exact purpose of such information gathering. It would be important that any survey be synchronized with other similar ongoing efforts within the individual organizations. This would ensure coherence and the desired impact on the outcome of any such information gathering so that it could be used to further enhance policies and practices.

148. In a statement delivered by the Human Resources Network, UN-Women informed the Commission that several issues highlighted in the secretariat's report relating to gender equality at the system-wide level, namely the insufficient implementation of policies to support the equal representation of men and women in United Nations entities, and the organizational culture that bore negatively, albeit to differing degrees, on the selection, retention and progression of qualified female candidates and staff members, were aligned with the findings of the 2014 report of the Secretary-General on the improvement in the status of women in the United Nations system (A/69/346). Several reports indicated that the mere existence of policies did not correlate with an increase in the representation of women; UN-Women saw a need to focus on the analysis of the implementation of the existing gender-related policies to seek further evidence of their application and impact. UN-Women welcomed the ICSC secretariat's proposal for a United Nations system-wide staff survey related to the accessibility, use and perception of gender equality measures, including those aimed at facilitating a balance between professional and personal life, and on organizational culture. The statement drew attention to the utility of an external review/evaluation to complement the findings

of the survey, with a view to strengthening both policy and its implementation and uptake.

149. The United Nations Secretariat informed the Commission that, as at 30 June 2015, the overall percentage of female staff was 34.4 per cent, with the percentages in non-field (headquarters, regional commissions, tribunals) and field operations at 47.4 per cent and 21.7 per cent, respectively. It noted that gender equality was not only about equal representation but also about equal opportunity and valuing the same qualifications and experiences equally. UNICEF confirmed its commitment to achieving gender parity at all levels, including at its country offices. In addition, UNICEF was working to achieve a truly diverse workforce, taking into account geographical diversity and the employment of persons with disabilities, among others. UNHCR endorsed the statement made by the Human Resources Network and noted that, as an operational agency, it was doing relatively better than other similar organizations with regard to the representation of women. In the international Professional category, women constituted 43 per cent; 87 per cent of UNHCR staff members were based in the field, more than half of whom were assigned to non-family duty stations. UNHCR was also deeply committed to the principle of 50/50 gender balance in its promotion process, and for the past several years, it had promoted staff on that basis. UNHCR informed the Commission that, in a recent gender study, the organization was asked to focus less on targets, numbers and percentages but more on the inclusivity factor of working women. In addition, UNHCR noted that it was simply not enough to have feminist women in the workplace but that the challenge was to have feminist men who championed inclusivity. It expressed its hope that the Commission would consider not only short-term measures but also long-term, lasting measures that would help organizations to achieve gender, diversity and inclusivity targets.

150. CCISUA expressed its support for eliminating gender discrimination while noting recent reductions in senior appointments for women. While overall there had been important progress since 2000 in gender parity for women, there was still quite some way to go, most importantly at the higher grades. It noted the United Nations Charter objective of selecting the most qualified candidates and that, in that context, women were facing informal barriers and biases that needed to be better addressed; therefore, a survey could be a good approach for this. It further noted that there was a generational and time dimension. Among younger and newer staff the barriers and biases were of a very different magnitude to older staff, and therefore measures and communications needed to be appropriately tailored. It also cautioned in citing demanding work, frequent travel, long workweeks and, in some organizations, requirements to work in the field, as this might affect men or women differently, since everyone had to make life choices that would affect their careers positively or negatively. This was because men, too, had taken the role of primary caregiver and accompanying spouses instead of women. Organizations could do a lot more to review how work was carried out to allow better work-life balance for all. CCISUA stressed the need for care in ensuring that promotion of gender parity went hand in hand with promotion of geographic diversity, and not at the expense of the latter. It noted that gender parity was important but had to be established as a tight range to allow flexibility with regard to staff movements and subject area preferences, and the importance of having a workplace that would also cater to, recognize the place of and eliminate discrimination against transgender, transsexual and intersex staff,

as recognized by the comparator, the United States Government, and the United Nations Secretary-General.

151. FICSA fully supported gender equality. However, it believed that the issue was better implementation of policies and gender-balanced recruitment in some organizations and specifically at certain grades. In addition, ICSC needed to look at equal gender representation at all levels of United Nations organizations (i.e. headquarters and field duty stations), particularly in the field and hardship duty stations, where women were underrepresented at the United Nations (21.7 per cent). Moreover, it noted that the current statistics provided by the United Nations Secretariat were outdated and that one needed to take a better look at updated numbers to address the root causes of the problems where they existed. At the same time, it recognized the principles enshrined in the Charter with regard to equal treatment, and believed that improved transparency in the recruitment process could further assist in achieving the objective of gender parity in the United Nations common system.

152. UNISERV supported the proposed system-wide staff survey or a gender audit, preferably conducted by ICSC. It reminded the Commission that the General Service category, with predominantly female staff, had a negative impact on gender balance. It considered the 50/50 gender balance goal to be a good start but not enough. In some organizations, women perceived the conditions of service very differently from men. That gender gap was an indication of the lack of implementation of gender policies.

153. The Commission noted that a sufficient number of policies and measures were already in place and that most organizations appeared to be comparable to other global good employers. The Commission emphasized that the improvement in the representation of women in the United Nations common system would depend on the effectiveness of the implementation of gender policies and the level of integration of the gender perspective into all human resources policies in all areas, including recruitment, promotion, retention, work-life policies, gender awareness, monitoring and accountability. Furthermore, it noted that robust and credible accountability mechanisms that gave strength to the policy of gender balance were central to meaningful implementation. In this regard, the Commission recognized that the responsibility of all organizations of the United Nations common system was to lead as true employers of choice by supporting an organizational culture in which gender parity and diversity created an inclusive work environment and both women and men were equally empowered and valued.

154. The Commission recognized that progress towards gender parity at all levels in the organizations of the common system had been slow. It was of the view that the goal of 50/50 gender balance should be achieved in an evolutionary manner, as the current levels of representation of women varied by organization and grade level. It highlighted that a targeted approach through the benchmarking of certain identified sectors, such as posts in field duty stations and decision-making levels where the representation was low, could assist organizations, and that such an exercise should include staff federations in order to identify target areas. Furthermore, it considered that, in formulating specific recommendations, the secretariat should work with all organizations. The Commission was in agreement that achieving gender parity was a long-term exercise that would require targets and milestones together with an evaluation of implementation, as suggested by

UN-Women. At this stage, the Commission did not see a need for a system-wide staff survey.

155. The achievement of gender balance should not compromise the professionalism and competence of staff and should be implemented, in conformity with Article 101, paragraph 3, and Article 8 of the Charter of the United Nations, to eliminate existing barriers that impeded attracting, recruiting and retaining qualified women to the organizations of the common system. The Commission was, however, in agreement that there should be measures in place to encourage mobility of women to field duty stations, including difficult and non-family duty stations.

156. Since the imbalance at the higher levels was significant, the Commission highlighted the need for providing development opportunities to mid-level women staff members. This could be done by instituting appropriate career development programmes, such as leadership development and coaching programmes, in order to build a pool of qualified women candidates ready for leadership positions. The Commission was also of the view that the diversity aspect of the workforce in terms of gender balance and geographical distribution should be fully integrated into all such activities.

157. The Commission called for an organizational culture conducive to attaining and sustaining gender balance at all levels and to fostering a healthy work environment for all staff, both men and women. Towards that goal, the Commission highlighted the importance of changing attitudes, behaviours and biases that perpetuated gender inequality in the workplace, and considered that the issue should be addressed in the same way as in the case of gender inequality in society. It noted that certain elements of the organizational culture in the United Nations common system might be impeding women from rising to the top. It also noted that, even when women reached the top, they often had to conform to, and struggle with, a culture that reflected "male concerns and ways of working". In some cases, gender stereotypes had been quietly permitted in the male-dominated work domain. The Commission was therefore of the view that, until those stereotypes were identified and tackled in order to create a gender-friendly professional domain where men and women could equally participate and contribute, it would be more difficult to achieve the goal of gender balance, empowerment and professional mobility of women in the common system. The Commission felt that there was a need to address attitudes and behaviours.

158. The Commission noted that one of the main mandates of UN-Women was to hold the United Nations system accountable for its own commitments on gender equality, including regular monitoring of system-wide progress. It was also pointed out that there was a difference in reporting lines on gender balance, as the UN-Women reports were submitted to the Third Committee of the General Assembly while the ICSC reports were submitted to the Fifth Committee of the Assembly.

159. The Commission was of the view that all issues relating to inclusiveness and diversity such as gender parity, geographical distribution, multiculturalism, generational diversity and multilingualism should be reviewed holistically. This was necessary in order to recognize how those issues contributed, complemented and, in some cases, conflicted with each other. Recalling its previous decisions in 2014 on gender balance and diversity, the Commission agreed to request its secretariat to

conduct a review on inclusiveness and diversity as part of a comprehensive report on diversity in the United Nations common system.

Decision of the Commission

160. The Commission decided to:

(a) Take note of the information provided in the present report made with regard to available gender policies and measures towards achieving the goal of 50/50 gender balance in the Professional and higher categories in organizations of the United Nations common system;

(b) Urge organizations to continue implementing existing gender balance policies and measures, including the previous recommendations of the Commission outlined in its previous annual reports (A/61/30, A/63/30, A/64/30, A/65/30 and A/69/30), as approved by the General Assembly;

(c) Request its secretariat to continue reviewing holistically all issues relating to inclusiveness and diversity, such as gender parity, geographical distribution, multiculturalism, generational diversity and multilingualism;

(d) Request its secretariat to provide a report on inclusiveness and diversity at its eighty-fifth session in conjunction with the upcoming report on monitoring the progress in achieving gender and geographical balance in the organizations as part of a comprehensive report on diversity in the United Nations common system.

Chapter V

Conditions of service of the General Service and other locally recruited categories

A. Surveys of best prevailing conditions of employment in Geneva

161. On the basis of the methodology for surveys of best prevailing conditions of employment of the General Service and other locally recruited staff at headquarters and similar duty stations (survey methodology I), the Commission conducted a survey in Geneva, with a reference date of September 2015.

162. In accordance with the methodology, the salary scale for the Language Teacher category was adjusted by applying the same percentage as that applied to the General Service category. The salary scales recommended by the Commission to the executive heads of the Geneva-based organizations are reproduced in annex IX to the present report.

163. The overlap of the highest salary point of the recommended General Service salary scale, G-7/XII, with the net remuneration of Professional staff in Geneva (SwF 117,611 or $122,257, at the September 2015 United Nations operational rate of SwF 0.962 per $1) was at the P-3/VI level (single rate). The overlap was one step below the level reported at the time of the previous survey.

164. The recommended salary for the General Service and Language Teacher categories being 1.8 per cent lower than the scales in effect, the notional annual savings resulting from implementation are estimated at $7.6 million. Given that the recommended salary scales are expected to be implemented only with regard to staff recruited on or after the date of promulgation by the Geneva-based organizations, there are no immediate savings associated with the recommendation.

165. On the issue of the allowances, the General Assembly, by section III, paragraph 3, of its resolution 70/244, discontinued the freeze on allowances for staff in the General Service and related categories with effect from 1 January 2016. The Commission could not make recommendations on the level of allowances when conducting surveys with a reference date before that date, that is, those conducted in Madrid, London and New York and the current survey. There was, however, general agreement that it was not desirable to wait until the next surveys in those duty stations, which could be between 8 and 10 years away, to review the levels of the allowances. The Commission noted in that regard that, for some surveys conducted under methodology II, which had also been affected by the freeze, reviews of the allowance levels would be conducted at the time of the next interim review at those locations. The Commission was therefore in general agreement that the allowances for those locations under methodology I that had been affected by the freeze (Madrid, London, New York and Geneva) should be reviewed by the Commission, on an exceptional and one-time basis, before the next surveys of best prevailing conditions of service, with the resulting recommendations applied at the time of the next interim adjustment to the salary scales at those locations.

B. Adjustment of dependency allowances following the unfreezing of allowances

166. Following the decision of the General Assembly to lift the freeze on the increases of allowances for the General Service and related categories as from 1 January 2016 (resolution 70/244, sect. III, para. 3), the Commission, at its eighty-second session, requested its secretariat to conduct an ad hoc one-time review of the levels of the dependency allowances in Madrid, London, New York and Geneva, which otherwise would not have been reviewed until the next round of surveys. The results of the Commission's review at its eighty-third session would be recommended to the organizations for implementation at the time of the next interim adjustment to the salary scales at the aforementioned duty stations.

167. The recommended levels of allowances are shown in annex X. The estimated maximum financial implications of the Commission's recommendations, at the United Nations rates of exchange for June 2016, are as follows:[4]

Duty station	*Financial implications (United States dollars)*
Madrid	13 752
London	12 171
New York	1 576 090
Geneva	7 281 958

168. The revised levels of allowances would be recommended to the organizations with effect from the next interim adjustment to the salary scales and in the case of London with retroactive implementation from May 2016, the date of the first interim adjustment after the date of the lifting of the freeze by the General Assembly for the General Service and related categories.

[4] Excludes the impact of deductions to be made by the organizations in respect of any direct payments received by staff from Government in respect of dependants.

Annex I

Programme of work of the International Civil Service Commission for 2017-2018

1. Resolutions and decisions adopted by the General Assembly and the legislative/governing bodies of the other organizations of the common system.
2. Conditions of service applicable to both categories of staff:
   (a) Review of the use of categories of staff (General Service, National Professional Officer, Field Service and Security Service) and other compensation packages;
   (b) Guidelines for agreed termination of staff;
   (c) Review of pensionable remuneration;
   (d) Danger pay: methodology for adjustment and review of level of allowance;
   (e) Security evacuation allowance: review of the level;
   (f) Review of diversity, including gender, in the common system;
   (g) Study on performance management and proposals on performance incentives.
3. Conditions of service of the Professional and higher categories:
   (a) Base/floor salary scale;
   (b) Review of staff assessment rates for grossing-up purposes;
   (c) Evolution of the United Nations/United States net remuneration margin;
   (d) Children's and secondary dependants' child allowances: methodology and level;
   (e) Implementation of the revised compensation package;
   (f) Review of the hardship classification methodology, in particular for "A" duty stations;
   (g) Report of the thirty-ninth session and agenda for the fortieth session of the Advisory Committee on Post Adjustment Questions;
   (h) Report of the fortieth session and agenda for the forty-first session of the Advisory Committee on Post Adjustment Questions.
4. Conditions of service of the General Service and other locally recruited categories: surveys of best prevailing conditions of employment in Vienna.
5. Monitoring of the implementation of the decisions and recommendations of the International Civil Service Commission and the General Assembly by organizations of the United Nations common system.

Annex II

Proposed revised human resources framework

Context

Since 2000, when the ICSC human resources management framework was promulgated, United Nations common system organizations have continued to grapple with significant challenges. Overcoming those challenges has required changes in the approach to human resources management. Organizations have adopted a more strategic view of human resources management in order to position themselves to implement more complex mandates and new programme priorities required by member States. With increased emphasis by member States on efficiency and affordability, some organizations have put in place results-based management frameworks to direct resources and people towards agreed results. Over the same period, the demography of the United Nations common system staff has shifted towards greater workforce diversity. Skill and educational requirements have changed in the light of, among others, advances in technology, new substantive priorities, the retirement of a large portion of the workforce and new generations coming into the workforce.

Revised framework

The revised ICSC human resources management framework recognizes that major shifts have taken place in human resources management policies and programmes. A new framework is required to provide up-to-date guidance on the practical implications of recent trends, including the introduction of a revised compensation package for international Professional staff to enhance fairness, equity and competitiveness.

The philosophy underlying the revised framework is based on the principles emanating from the provisions of Article 101 of the Charter of the United Nations. Furthermore, United Nations common system organizations have accepted the statute of the Commission, which promotes common personnel standards, methods and arrangements for a unified international civil service.

Focus of the framework

The revised human resources management framework can be described as: (a) staff-centred; (b) strategic; and (c) results-based. It provides the conceptual basis for a relationship between excellent organization results and human resources management function that is staff-centred. Furthermore, it highlights the strategic role of human resources management, that is, those functions that help to maximize existing and future human resource capacity to meet organizational goals. The framework suggests that those human resources management functions best able to influence staff performance and organizational results should be closely aligned under the rubric of talent management and should focus on building individual staff member competencies, assigning, developing and retaining talent to achieve high performance levels.

Finally, the revised framework updates the principles and outcomes associated with human resources management functions. The addition of outcomes and indicators is intended to promote the active participation of the human resources

management function in policy, planning and strategic change management decisions in organizational contexts where results orientation is important.

Proposed revised human resources framework

Organizational culture, unique legal status and governing mechanisms

System of governance: all organizations are responsible to large numbers of Member States, which decide their missions, mandates and strategies.

Legal status: the organizations are extraterritorial and not bound by national legislation or international labour conventions.

International, multicultural nature: the organization's aims and activities are global, and their employees come from all parts of the world.

Good governance

Human resources decision-making in United Nations common system organizations is guided by the values set out in the Charter of the United Nations, in particular Article 101, and in the various legal instruments that govern each organization.

Leadership

Effective policies and practices are in place to uphold the common values of the United Nations system and to foster staff commitment to the mission, vision and values of the United Nations system as a whole, as well as to the individual organization.

Enabling work environment

In policy and actions, priority is given to those aspects of the work environment that enhance staff well-being and ensure staff security, occupational and environmental health and safety, overall social-psychological and physical wellness and work/family life balance.

Organizational design and human resources planning

Broad principles

- Organizational design is aligned with the mission and strategies of the organization. It requires clear vision and priorities in order to fulfil the aims of the organization.
- Strategic human resources planning contributes to the achievement of organizational success by ensuring that the organization has the human resources capabilities required to meet current and emerging needs.

Outcomes

- Organizational structure that supports its objectives.
- Clear reporting relationships with appropriate work distribution and classified posts.
- Operational efficiency and quality service.
- Satisfies job holder's needs in terms of interests, challenges and accomplishments.
- Human resources that meet the organization's short-, medium- and longer-term programme needs, including leveraging human resources to support coordinated action among organizations.
- Well-trained and flexible workforce to meet the organization's changing and, at times, uncertain needs.

Indicators

- A workforce plan is in place.
- Use of ICSC job classification standards.

Ethics/standards of conduct

Broad principles

- Staff at all levels should be models for ethical behaviour and should demonstrate commitment to the standards of conduct. Those standards should be brought to the attention of the staff on a recurring basis, and leadership should demonstrate commitment to them. They should be reinforced through management and transparent human resources practices. In addition, they should state the staff member's rights and obligations when confronted with wrongdoing in relation to the organization and be supported by effective procedures and mechanisms to ensure accountability.

Outcomes

- Shared vision in the workforce that promotes United Nations common system core values.
- Compliance with the standards of conduct for the international civil service.
- The core values of integrity, professionalism and respect for diversity, impartiality, transparency and accountability are demonstrated within the organization.
- Clear delegation of authority for human resources decisions and actions.
- The United Nations is regarded as an organization that is trusted and respected globally.

References: ICSC, "Standards of conduct for the international civil service" (New York, 2013), available from http://icsc.un.org/resources/pdfs/general/standardsE.pdf; Articles 100 and 101 of the Charter of the United Nations.

Indicators

- Standards of conduct are reflected in human resources policies, rules and regulations.
- Standards of conduct are brought to the attention of staff on a recurring basis.
- Accountability framework in place.

Staff representation and staff-management relations

Broad principles

- Staff representatives should be fully involved in and contribute to decisions affecting all matters relating to personnel/human resources policies and practices.

Outcomes

- Organizations should formally recognize the legitimate role of staff representatives in representing the views of staff on all matters relating to personnel/human resources policies and practices.

- Organizations should ensure that staff representatives are fully informed on matters affecting conditions of service and consulted on those related to personnel/human resources policies and practices.
- Organizations should ensure that appropriate mechanisms are established to offer the opportunity for staff representatives to participate in and influence decisions affecting personnel/human resources policies and practices.

Indicator

- Appropriate mechanisms are in place for staff representation.

Administration of justice

Broad principles

- Each organization should provide internal administrative procedures that respect due process so that the executive head may take decisions that are fair, equitable and consistent with law and statutes.
- Staff have a right to an effective defence, including representation in relevant internal processes.

Outcomes

- Due process is guaranteed, and staff and the Administration are provided with the means to resolve grievances and for staff members to appeal administrative decisions that violate their terms of employment (staff rule 11.2 (a) and website of the United Nations internal justice system).
- The effectiveness and morale of staff are improved (2012 report of the Ombudsman for the Funds and Programmes).
- Positive behaviours are exhibited in the workplace, trust and a harmonious work environment are fostered, conflicts are minimized, and problems are resolved in a timely manner.

Indicator

- Appropriate and effective mechanisms are in place to guarantee due process.

Talent management

Recruitment and selection

Broad principles

- Recognizing that the United Nations common system is an employer of choice, organizations seek to recruit and select staff according to the highest standards of efficiency, competency and integrity, taking into account geographical distribution and gender, and on the basis of plans and strategies aligned with the organizational goals and objectives.

Outcomes

- The recruitment and selection process is timely, transparent and free from discrimination and inappropriate influence.

- Selection and placement of the right person in the right job at the right time.
- New staff adapt to job requirements and become productive quickly and remain in the organization in accordance with expectations.

Indicators

- Reliable and objective assessment tools are used.
- Vacancy and retention rates.
- Orientation and induction programmes are in place.
- Gender and geographical distribution policies are implemented.

Performance management

Broad principles

- Performance management supports overall organizational objectives by linking individual work goals to the organization's mission and continuously guides staff towards the full development of competencies.

Outcomes

- Staff understand their role and requirements.
- The review process is transparent, simple and well understood.
- Staff perform effectively and efficiently.
- The review process takes into account objectives agreed between the manager and the staff member.
- Staff are recognized and rewarded according to their performance.
- Continuous development.

Indicators

- Workplans are in place.
- Very good performance is incentivized.
- Performance challenges are identified and addressed.
- Plans are in place for development and improvement (A/66/30, annex IV).

Mobility/staff deployment

Broad principles

- Mobility is an underlying premise of the international civil service to promote shared principles and values reinforcing the international character of the common system to broaden the capability of organizations.

Outcomes

- Staff move within and across the United Nations common system to fulfil organizational mandates in an efficient and cost-effective manner.

- Versatile, flexible and high-performing staff.
- Staff mobility is incentivized in accordance with organizations' policies.

Indicators

- Mobility/rotation policy in place.
- Comprehensive inter-agency mobility agreement in place.
- Inter-agency movements.
- Cost of staff movements.

Reference: ICSC, "A guide to the mobility and hardship scheme and related arrangements", June 2016. Available from http://icsc.un.org/resources/hrpd/mah/MOBILITYENG.pdf.

Staff development and learning

Broad principles

- Appropriate learning and development opportunities for staff and management are essential to enable organizations to engage staff, build capacity for delivering excellent results, overcome challenges and adapt to changing conditions.

Outcomes

- Staff are knowledgeable and committed to the organizational mission, vision and values.
- Career growth opportunities are provided within the organization or through inter-agency arrangements.
- A majority of staff members demonstrate high levels of engagement with their jobs.
- In their current jobs, most staff members deliver results that meet expectations.
- Staff members consider their relationship with supervisors and co-workers to be supportive.
- Managers provide effective leadership for strategic and change management initiatives.
- Staff receive support in carrying out performance improvement programmes.
- Programme evaluation results are disseminated to facilitate individual and organizational learning.

Indicators

- Staff development policy in place.
- Induction and orientation programmes in place.
- Career guidance programme in place.
- Management development policy in place.

- Internal staff movements.

Staff well-being and duty of care

Broad principles

- An enabling work environment will contribute to staff well-being.
- Staff well-being and security encompass occupational, environment, health and safety standards, medical services and work/life programmes. Security policy involves the physical and psychological safety of staff and takes precedence over organizational expediency.
- Member States should ensure the protection of staff at all duty stations.

Outcomes

- The overall protection and the physical and psychological well-being of staff are safeguarded through occupational, safety and medical programmes with special mitigation measures for high-risk environments.
- Medical and psychological risks associated with assignments are documented and communicated.
- Enhanced skills for managers and staff to deal with high-risk environments.
- Managers are trained to work effectively in high-risk areas.
- The legal protection of United Nations staff is ensured through the relevant conventions on privileges and immunities and the Convention on the Safety of United Nations and Associated Personnel.
- The United Nations is an employer of choice that provides balance between work and family needs.

Indicator

- Up-to-date information that describes the status of staff well-being through surveys and other related approaches.

Compensation and benefits

Broad principles

- The United Nations common system takes a "total rewards" approach, which includes salary, incentives, allowances and social benefits. Compensation is determined in a fair, equitable and competitive manner and takes into consideration performance, responsibilities, accountability, contribution and merit. The compensation package should enable organizations to attract, retain and motivate staff at the national and international levels. It is consistent across the United Nations common system, supports the delivery of organizational mandates and is sustainable over time.

Outcomes

- Organizations attract, recruit and retain the best combination of talents.
- Staff are motivated and encouraged to develop skills and competencies.

- Allowances and incentives target organizational objectives.
- Information about compensation is readily available to all stakeholders.
- Some flexibilities in applying the package.
- Management authority to determine certain elements of compensation is clearly defined.

Indicators

- Fair, equitable, competitive and sustainable compensation package.
- Fit-for-purpose compensation package that meets organizational requirements.
- Staff satisfaction with compensation and benefits.

Contractual arrangements

Broad principles

- Contracts are used by organizations to employ staff on a short-term, fixed-term or continuing basis, giving the flexibility to respond to organizational needs.

Outcomes

- Staff are informed about the expectations from their employment.
- Duration of contracts meet organizational requirements.
- Clear framework in place determining any mobility requirements, probationary period, and progression to other types of contracts and provisions for extension or termination of contract.
- Contracts facilitate inter-agency movements.

Reference: A/60/30, annex IV.

Indicator

- Compliance with ICSC contractual framework.

Human resources management information systems

Broad principles

- Human resources management information systems should meet the organizations' requirements for descriptive and analytical information to support administrative efficiency, policy analysis, evidence-based decision-making, and management planning and programme evaluation, as well as anticipate human resources needs.

Outcomes

- Accessible, reliable, timely and useful information that facilitates the effective management of people to achieve the organizations' goals.
- Guaranteed protection of staff members' right to privacy of personal information.

- Use of human resources management information to support organizational learning and enhance institutional memory.
- Guaranteed staff member satisfaction with personnel administrative services in accordance with agreed standards.
- Availability of reliable, timely and useful United Nations common system human resources management data and information for all stakeholders.

Indicators

- Comprehensive and integrated information strategy for human resources managers.
- Availability of up-to-date demographic and compensation-related information.

Engaged workforce

Broad principles

- A combination of commitment to the organization and its values and willingness to contribute to the success of the organization. The drive for an engaged workforce needs to build on good people management, the development of policies and the active support of line managers.

Outcome

- Excellent and sustainable organizational performance.

Annex III

Information on operational implementation of the new compensation package by each organization of the United Nations common system

	Policy framework readiness						Expected systems readiness				
	Governed by the Staff Regulations and Rules of the United Nations	Own governing body consulted					Software used				
Organization		(Yes/no)	Date of approval	1 July 2016	1 January 2017	1 January 2018	In-house	Name of outside vendor	1 July 2016	1 January 2017	1 January 2018
United Nations	Yes	Yes	1 April 2016	Yes	71st session	72nd session	No	SAP	Yes	No	Yes
UNDP	Yes	NA	NA	Yes	71st session	72nd session	No	PeopleSoft/ Oracle Atlas	Yes	Yes	Yes
UNFPA	Yes	NA	NA	Yes	71st session	72nd session	No	PeopleSoft/ Oracle Atlas	Yes	Yes	Yes
UNOPS	Yes	NA	NA	Yes	71st session	72nd session	Yes	Unit4 Agresso	Yes	Yes	Yes
UNHCR	Yes	NA	NA	Yes	71st session	72nd session	No	Oracle PeopleSoft	Yes	Yes	Yes
UNICEF	Yes	NA	NA	Yes	71st session	72nd session	No	SAP	Yes	No	Yes
UN-Women	Yes	NA	NA	Yes	71st session	72nd session	No	PeopleSoft/ Oracle Atlas	Yes	Yes	Yes
UNRWA	No	No					No	SAP	Yes	Yes	Yes
UNAIDS	No	No	February 2017	No	Yes	Yes	No	Oracle	No	Yes	Yes
WFP	No	No	Submitted May 2016	Yes	Yes	Yes	No	SAP	No	Yes	Yes
ILO	No	Yes	March 2016	No	Yes	Yes	Yes	Oracle	No	Yes	Yes
FAO	No	Yes	Submitted May 2016	Yes	Yes	Yes	No	Oracle	Yes	Yes	Yes
UNESCO	No	Yes	April 2016	Yes	Yes	Yes	No	SAP	Yes	Yes	Yes

Organization	Policy framework readiness: Governed by the Staff Regulations and Rules of the United Nations	Own governing body consulted: (Yes/no)	Own governing body consulted: Date of approval	1 July 2016	1 January 2017	1 January 2018	Expected systems readiness: Software used: In-house	Software used: Name of outside vendor	1 July 2016	1 January 2017	1 January 2018
WHO	No	No	February 2017	No	Yes	Yes	No	Oracle	No	Yes	Yes
PAHO	No	No	February 2017	No	Yes	Yes	No	Workday	No	Yes	Yes
ICAO	No	Yes	20 May 2016	Yes	Yes	Yes	Yes	Agresso	Yes	Yes	Yes
UPU	No	Yes	February 2016	Yes	Yes	Yes	Yes	Navision	Yes	Yes	Yes
ITU	No	Yes	May 2016	Yes	Yes	Yes	No	SAP	Yes	Yes	Yes
WMO	No	Yes	Next Executive Council session (June 2017)	No	Yes	Yes	No	Oracle	Yes	No	Yes
IMO	No	Yes	5 July 2016	Yes	Council 117th session (November 2016)	Council 118th session (June 2017)	No	SAP	Yes	No	Yes
WIPO	No	No		No	Yes	Yes	No	Oracle	No	Yes	Yes
IFAD	No	Yes	9 April 2016 (first set)	Yes	Yes	Yes	No	PeopleSoft	Yes	Yes	Yes
UNIDO	No	No		Yes	No	Yes	Yes	SAP	Yes	No	Yes
UNWTO	No	Yes	9-11 May 2016	Yes	Yes	Yes	Yes	Oracle	Yes	Yes	Yes
IAEA	No	Yes		Yes	Yes	Yes	No	Oracle	Yes	Yes	Yes

Abbreviation: NA, not applicable.

Annex IV

Implementation issues, including review of the level of existing allowances

A. Field allowances and relocation-related payments

	Current system			*Proposed system*			
Allowance/payment	*Adjustment methodology*	*Review cycle*	*Year of last review and/or introduction*	*Adjustment methodology*	*Review cycle*	*Year of next review*	*Comments*
Hardship allowance	Based on the following indicators:	3 years	2011	Same methodology as under the current system	3 years		
Mobility allowance/ incentive	(a) Average movement of net base salary plus post adjustment in the eight headquarters locations of the United Nations system	3 years	2011	Using average base salary of staff in the Professional and higher categories in the year of review (same basis as for the new payment matrix)	3 years	3 years from the implementation of the new payment matrix	In 5 years (2021), review the purpose
Additional hardship allowance/ non-family service allowance	(b) Movement of the out-of-area index used for post adjustment based on inflation factors in 21 countries	3 years	Introduced in 2011	Using rent data under the post adjustment system (same basis as for the new payment matrix)	3 years		
Non-removal allowance	(c) Movement of the base/floor salary scale	3 years	2011	Abolished	–	–	
Danger pay	–[a]		2012	To be developed	3 years	2017	
Security evacuation allowance	–	3 years	2012	Based on averages of relevant daily subsistence allowances in safe havens	3 years	2017	
Ceiling for relocation shipment-related payment	–	–	–	Using averages of actual shipment cost data for previous 3 years	3 years	3 years from the implementation of the new system	

[a] Danger pay was implemented in July 2012 to replace hazard pay, which was adjusted using the same methodology as for the allowances under the mobility and hardship scheme. However, the methodology for the adjustment of danger pay has not yet been reviewed.

B. Dependency allowances and education grant scheme

Allowance/ payment	Current system			Proposed system		
	Adjustment methodology	*Review cycle*	*Year of last review*	*Adjustment methodology*	*Review cycle*	*Year of next review*
Dependent child allowance	United States dollar-denominated flat rate set as the weighted average of the relevant tax abatements and social legislation benefits at the eight headquarters duty stations for a salary equivalent to the P-4/VI level. In adjusting the allowance, both the weighted average of the eight headquarters locations and trends in growth rates of child benefits are used as factors	(1) Level: 2 years (2) Methodology: as required	(1) Level: 2012; further reviews suspended until 1 January 2017 (2) Methodology: 2013	Methodology maintained. However, review needed, inter alia, to ensure consistency of application	Same as under current system	(1) Methodology: 2017 (2) Level: 2018
Disabled child allowance	200 per cent of the child allowance	Reviewed as part of child allowance				Reviewed as part of child allowance
Secondary dependant's allowance	35 per cent of the child allowance					
Dependent spouse allowance	Not applicable. Primary dependants recognized in salary scale. Difference in net pay based on family status;	None. Dependant/ single differentials have remained unchanged since establishment	Dependant/single rates: 1976 spouse allowance approved in 2015, for implementation in 2017	Based on comparator civil service married/ single taxpayer after-tax pay difference	(1) Level: no special review required (adjusted with net remuneration)	Methodology: as required, but no later than 2025

Allowance/ payment	Current system			Proposed system		
	Adjustment methodology	Review cycle	Year of last review	Adjustment methodology	Review cycle	Year of next review
	dependency rate of net pay provided for dependent spouse or for the first dependent child (in lieu of child allowance) if staff member had no dependent spouse				(2) Methodology: as required, but no later than every 10 years	
Single parent allowance			Single parent allowance approved in 2015, for implementation in 2017	Equal to spouse allowance		
Education grant	Reimbursement of 75 per cent of admissible education-related expenses subject to country/currency zone-specific ceilings; boarding reimbursed for schools outside duty station. Adjustment based on the movement of school fees and education-related expenses of staff member	2 years	(1) Level: 2012, further reviews suspended until 1 January 2017 (2) Methodology: 2015 as part of the comprehensive review	Reimbursement of admissible education-related expenses subject to a global declining scale; boarding lump-sum provided in non-H duty stations and at primary and secondary levels only. Adjustment done pragmatically based on the movement of school fees and boarding costs at selected representative schools	(1) Level: (a) Declining scale and boarding lump sums: every 2 years (b) Representative schools: every 6 years (2) Methodology: as required	Scale and boarding lump sum: 2019 Representative schools: 2021 Methodology: 2020

Annex V

Salary scale for the Professional and higher categories showing annual gross salaries and net equivalents after application of staff assessment (effective 1 January 2017)

(United States dollars)

Level		*I*	*II*	*III*	*IV*	*V*	*VI*	*VII*	*VIII*	*IX*	*X*	*XI*	*XII*	*XIII*
USG	**Gross**	**192 236**												
	Net	142 376												
ASG	**Gross**	**174 373**												
	Net	130 586												
D-2	**Gross**	**139 500**	**142 544**	**145 589**	**148 637**	**151 788**	**155 018**	**158 248**	**161 479**	**164 709**	**167 939**			
	Net	107 150	109 281	111 412	113 546	115 680	117 812	119 944	122 076	124 208	126 340			
D-1	**Gross**	**124 807**	**127 483**	**130 160**	**132 837**	**135 506**	**138 183**	**140 857**	**143 529**	**146 207**	**148 880**	**151 648**	**154 483**	**157 320**
	Net	96 865	98 738	100 612	102 486	104 354	106 228	108 100	109 970	111 845	113 716	115 588	117 459	119 331
P-5	**Gross**	**107 459**	**109 734**	**112 011**	**114 284**	**116 561**	**118 834**	**121 113**	**123 387**	**125 663**	**127 937**	**130 214**	**132 486**	**134 764**
	Net	84 721	86 314	87 908	89 499	91 093	92 684	94 279	95 871	97 464	99 056	100 650	102 240	103 835
P-4	**Gross**	**88 351**	**90 374**	**92 396**	**94 418**	**96 441**	**98 462**	**100 529**	**102 724**	**104 919**	**107 114**	**109 314**	**111 504**	**113 701**
	Net	70 647	72 184	73 721	75 258	76 795	78 331	79 870	81 407	82 943	84 480	86 020	87 553	89 091
P-3	**Gross**	**72 478**	**74 349**	**76 221**	**78 091**	**79 964**	**81 836**	**83 707**	**85 582**	**87 451**	**89 324**	**91 199**	**93 068**	**94 942**
	Net	58 583	60 005	61 428	62 849	64 273	65 695	67 117	68 542	69 963	71 386	72 811	74 232	75 656
P-2	**Gross**	**55 955**	**57 629**	**59 303**	**60 976**	**62 651**	**64 328**	**66 003**	**67 674**	**69 350**	**71 022**	**72 696**	**74 374**	**76 045**
	Net	46 026	47 298	48 570	49 842	51 115	52 389	53 662	54 932	56 206	57 477	58 749	60 024	61 294
P-1	**Gross**	**43 371**	**44 672**	**45 973**	**47 275**	**48 575**	**49 877**	**51 287**	**52 708**	**54 129**	**55 551**	**56 971**	**58 391**	**59 812**
	Net	35 998	37 078	38 158	39 238	40 317	41 398	42 478	43 558	44 638	45 719	46 798	47 877	48 957

Abbreviations: ASG, Assistant Secretary-General; USG, Under-Secretary-General.

Annex VI

Pay protection points for staff whose salaries are higher than the maximum salaries on the base/floor salary scale recommended to the General Assembly with effect from 1 January 2017 showing annual gross salaries and net equivalents after application of staff assessment

(United States dollars)

Level		*PP1*	*PP2*
P-4	**Gross**	**115 899**	**118 096**
	Net	90 629	92 167
P-3	**Gross**	**96 812**	**98 684**
	Net	77 077	78 500
P-2	**Gross**	**77 721**	–
	Net	62 568	–
P-1	**Gross**	**61 233**	–
	Net	50 037	–

Annex VII

Comparison of average net remuneration of United Nations officials in the Professional and higher categories in New York and United States officials in Washington, D.C., by equivalent grades (margin for calendar year 2016)

Grade	Net remuneration (United States dollars)		United Nations/ United States ratio (United States, Washington, D.C. = 100)	United Nations/ United States ratio adjusted for cost-of-living differential	Weights for calculation of overall ratio[c]
	United Nations[a,b]	United States			
P-1	73 952	54 427	133.4	117.2	0.2
P-2	96 372	69 869	137.9	121.2	7.4
P-3	117 638	89 676	131.2	115.3	28.7
P-4	139 841	108 820	128.5	112.9	33.6
P-5	163 403	127 371	128.3	112.7	21.6
D-1	186 487	146 739	127.1	111.7	6.4
D-2	200 566	155 226	129.2	113.5	2.0
Weighted average ratio before adjustment for New York/Washington, D.C., cost-of-living differential					129.9
New York/Washington, D.C., cost-of-living ratio					113.8
Weighted average ratio, adjusted for cost-of-living differential					114.1

[a] Average United Nations net salaries at dependency level by grade, reflecting 12 months at multiplier 64.9 on the basis of the salary scale in effect from 1 January 2016.

[b] For the calculation of the average United Nations salaries, CEB personnel statistics as at 31 December 2014 were used.

[c] These weights correspond to the United Nations common system staff in grades P-1 to D-2, inclusive, serving at Headquarters and established offices as at 31 December 2014.

Annex VIII

Proposed agenda for the thirty-ninth session of the Advisory Committee on Post Adjustment Questions

1. Opening session.
2. Statement by the Chair.
3. Adoption of the agenda.
4. Report on the implementation of the methodology approved by the Commission for cost-of-living surveys at headquarters duty stations.
5. Collection of survey data in New York for the purpose of place-to-place cost-of-living surveys.
6. Cost-of-living survey in Geneva.
7. Cost-of-living survey in London.
8. Cost-of-living survey in Madrid.
9. Cost-of-living survey in Montreal.
10. Cost-of-living survey in Paris.
11. Cost-of-living survey in Rome.
12. Cost-of-living survey in Vienna.
13. Cost-of-living survey in Washington, D.C.
14. Review of the methodology to be applied to field duty stations.
15. Other business.
16. Adoption of the report.

Annex IX

Recommended net salary scales for staff in the General Service and other locally recruited categories in Geneva

A. Recommended net salary scale for the General Service category in Geneva

Survey reference month: September 2015 (applicable to staff recruited on or after date of implementation)

(Swiss francs per annum)

	I	*II*	*III*	*IV*	*V*	*VI*	*VII*	*VIII*	*IX*	*X*	*XI*	*XII*
G-1	52 003	53 720	55 437	57 154	58 871	60 588	62 305	64 022	65 739	67 456	69 173	70 890
G-2	56 689	58 561	60 433	62 305	64 177	66 049	67 921	69 793	71 665	73 537	75 409	77 281
G-3	61 770	63 808	65 846	67 884	69 922	71 960	73 998	76 036	78 074	80 112	82 150	84 188
G-4	67 376	69 602	71 828	74 054	76 280	78 506	80 732	82 958	85 184	87 410	89 636	91 862
G-5	73 741	76 174	78 607	81 040	83 473	85 906	88 339	90 772	93 205	95 638	98 071	100 504
G-6	80 768	83 430	86 092	88 754	91 416	94 078	96 740	99 402	102 064	104 726	107 388	110 050
G-7	88 421	91 340	94 259	97 178	100 097	103 016	105 935	108 854	111 773	114 692	117 611	120 530

B. Recommended net salary scale for the Language Teacher category in Geneva

Survey reference month: September 2015 (applicable to staff recruited on or after date of implementation)

(Swiss francs per annum)

I	*II*	*III*	*IV*	*V*	*VI*	*VII*	*VIII*	*IX*	*X*	*XI*	*XII*	*XIII*[a]	*XIV*[a]
76 858	78 989	81 120	83 251	85 382	87 513	89 644	91 775	93 906	96 037	98 168	100 299	102 430	104 561

[a] Seniority steps.

Annex X

Recommended levels of allowances

A. Madrid (interim adjustment — 1 October 2016)

(Euros)

Allowance	*Proposed*[a]
Spouse	1 373
Children	1 050
Secondary dependant	–

[a] Other amounts may be applicable to eligible staff already in receipt of such amounts.

B. London (interim adjustment — May 2016)

(Pounds sterling)

Allowance	*Proposed*[a]
Spouse	–
First dependent child	1 434
Each additional child	614

[a] Other amounts may be applicable to eligible staff already in receipt of such amounts.

C. New York (interim adjustment — November 2016)

(United States dollars)

Allowance	*Proposed*
Spouse	3 727
Children	2 389
First dependent child of a single, divorced or widowed staff member	3 575
Secondary dependant	1 359

D. Geneva (interim adjustment — September 2016)

(Swiss francs)

Allowance	*Proposed*
Spouse	7 939
Children	6 398
First dependent child of a single, divorced or widowed staff member	13 183
Secondary dependant	2 515

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